Human Resources and Skills Development Canada

2009–2010 Estimates

Departmental Performance Report

Table of Contents

5 **Ministers' Messages**

9 **Section I Departmental Overview**

10 1.1 Introduction
10 1.2 Raison d'Être and Responsibilities
11 1.3 Program Activity Architecture
12 1.4 Performance Summary Tables
19 1.5 Contribution of Priorities to Strategic Outcomes
22 1.6 Risk Analysis
23 1.7 Expenditure Profile 2009–2010
26 1.8 Summary of HRSDC's Contributions to *Canada's Economic Action Plan*
30 1.9 Voted and Statutory Items

31 **Section II Analysis of Program Activities by Strategic Outcome**

32 **2.1 Strategic Outcome ❶**
A skilled, adaptable and inclusive labour force and an efficient labour market
32 2.1.1 Program Activity: Skills and Employment
38 2.1.2 Program Activity: Learning

49 **2.2 Strategic Outcome ❷**
Safe, fair and productive workplaces and cooperative workplace relations
49 2.2.1 Program Activity: Labour

55 **2.3 Strategic Outcome ❸**
Income security, access to opportunities and well-being for individuals, families and communities
55 2.3.1 Program Activity: Income Security
60 2.3.2 Program Activity: Social Development

67 **2.4 Strategic Outcome ❹**
Service excellence for Canadians
67 2.4.1 Program Activity: Citizen-Centred Service
73 2.4.2 Program Activity: Integrity and Processing

81 **2.5 Internal Services**
81 2.5.1 Program Activity: Internal Services

87 **Section III Supplementary Information**

88 3.1 Electronic Tables
88 3.2 Financial Highlights
92 3.3 Specified Purpose Accounts
99 3.4 Statutory Annual Reports

Ministers' Messages

Message from the Minister of Human Resources and Skills Development

It is my pleasure to present Human Resources and Skills Development Canada's Departmental Performance Report to Parliament. The Report identifies progress made on the priorities outlined in the 2009–2010 Report on Plans and Priorities.

In 2009–2010, the global economic slowdown was felt widely by many Canadians. The Government of Canada's priority was to provide support to Canadian workers and their families and to stimulate the economy. That is why Canada's Economic Action Plan was created. It helped hundreds of thousands of Canadians overcome challenges and contributed to our economic recovery.

Human Resources and Skills Development Canada played a major role in delivering several key measures included in Canada's Economic Action Plan. These temporary and targeted measures were designed to protect and create jobs, as well as to support Canadians and help them prepare for the jobs of the future.

Unemployed Canadians were provided with additional support from the Employment Insurance Program. Hardest hit groups such as youth and older workers benefited from additional funding to help them find jobs or transition to new careers. Almost 200,000 Canadians benefited from additional investments in training and skills development programs to help them upgrade their skills and find work. Employers also received assistance to avoid lay offs through the Work-Sharing Program. Over 255,000 Canadians have participated in this program since the economic downturn began.

Having the right skills and education is an essential part of preparing for jobs of the future. To support a skilled, adaptable and inclusive workforce, HRSDC encourages Canadians to save for post-secondary education and provides financial assistance to students. In 2009–2010, new student financial assistance measures, including Canada Student Grants and the Repayment Assistance Plan, were made available. The new Canada Student Grants reached more than 275,000 college and undergraduate students this year.

To better respond to the increased demand for services created by the economic downturn, Service Canada implemented several measures, including re-engineering processes, increasing automation, redistributing workloads across the country, extending hours of service and encouraging clients, when possible, to self-serve online. As a result, Canadians were able to receive timely service and benefits from key programs such as Employment Insurance, the Canada Pension Plan and the Old Age Security. Maintaining service excellence in our day-to-day interactions with millions of Canadians is a continued commitment for Service Canada.

As Minister of Human Resources and Skills Development Canada, I am proud of how we helped preserve and create jobs and how we supported families, employers and businesses through the economic downturn. As the economy recovers, Human Resources and Skills Development Canada will be supporting Canadians each step of the way.

The Honourable Diane Finley, P.C., M.P.
Minister of Human Resources and Skills Development

Message from the Minister of Labour

As Canada's Labour Minister, I am pleased with the achievements of the Labour Program over the 2009–2010 fiscal year. We have met and even surpassed our goals, and we achieved this during a particularly challenging time—facing issues such as the global economic downturn, the 2009 H1N1 flu virus and Canada's transition to economic recovery.

The Labour Program contributes to Canada's economic success and the well-being of Canadians by fostering healthy, fair and productive workplaces, and cooperative workplace relations. Working closely with employers, unions, provincial and territorial colleagues, and international partners, the Labour Program continues to find innovative ways to provide support to hard-working Canadians, to help build dynamic work environments, and to advance Canadian values and fair labour practices on the global stage. These efforts contribute to the economic success of the country and to the strength of its social fabric.

During the economic challenges we are currently facing, the Labour Program continues to play an important role in the country's economic recovery. The Wage Earner Protection Program, which was expanded in January 2009 through Canada's Economic Action Plan, helped over 23 500 workers recover wages lost due to employer bankruptcy or receivership.

Another accomplishment includes the work done to promote harmonious union management relations and to minimize the number of work stoppages. This is particularly important now as Canada's economy gains strength but remains fragile. In 2009–2010, 94% of approximately 200 collective bargaining disputes were settled without a work stoppage.

Canadians should be able to return home safe and sound after their work day. Focused, proactive Labour Program activities have helped workplace injuries and fatalities in high-risk industries continue to decrease since 2005.

In 2009-2010, the Labour Program renewed the *Canada-China Framework for Labour Cooperation on Labour Matters*. It also provided technical assistance to key partner countries like Peru, Colombia, Guatemala and Honduras to help administer their labour legislation and comply with international labour standards.

As Canadian workplaces continue to evolve, we must work together to keep pace and be responsive. I am confident that the Labour Program will continue to meet these challenges effectively.

The Honourable Lisa Raitt, P.C., M.P.
Minister of Labour

Section I Departmental Overview

Human Resources and Skills Development Canada

1.1 Introduction

This document provides an account of the performance of Human Resources and Skills Development Canada (HRSDC) for the period from April 1, 2009, to March 31, 2010. It reports the Department's achievements related to the commitments set out in the *2009–2010 Report on Plans and Priorities*.

1.2 Raison d'Être and Responsibilities

HRSDC's mission is to build a stronger and more competitive Canada, to support Canadians in making choices that help them live productive and rewarding lives, and to improve Canadians' quality of life. The Department delivers its mandate through three business lines: programs that support human resources and skills development, the Labour Program, and Service Canada.

Together, HRSDC's three business lines deliver a range of programs and services that affect Canadians throughout their lives, including:

- Old Age Security;
- Canada Pension Plan;
- Employment Insurance;
- Canada Student Loans and Grants;
- National Child Benefit; and
- Universal Child Care Benefit.

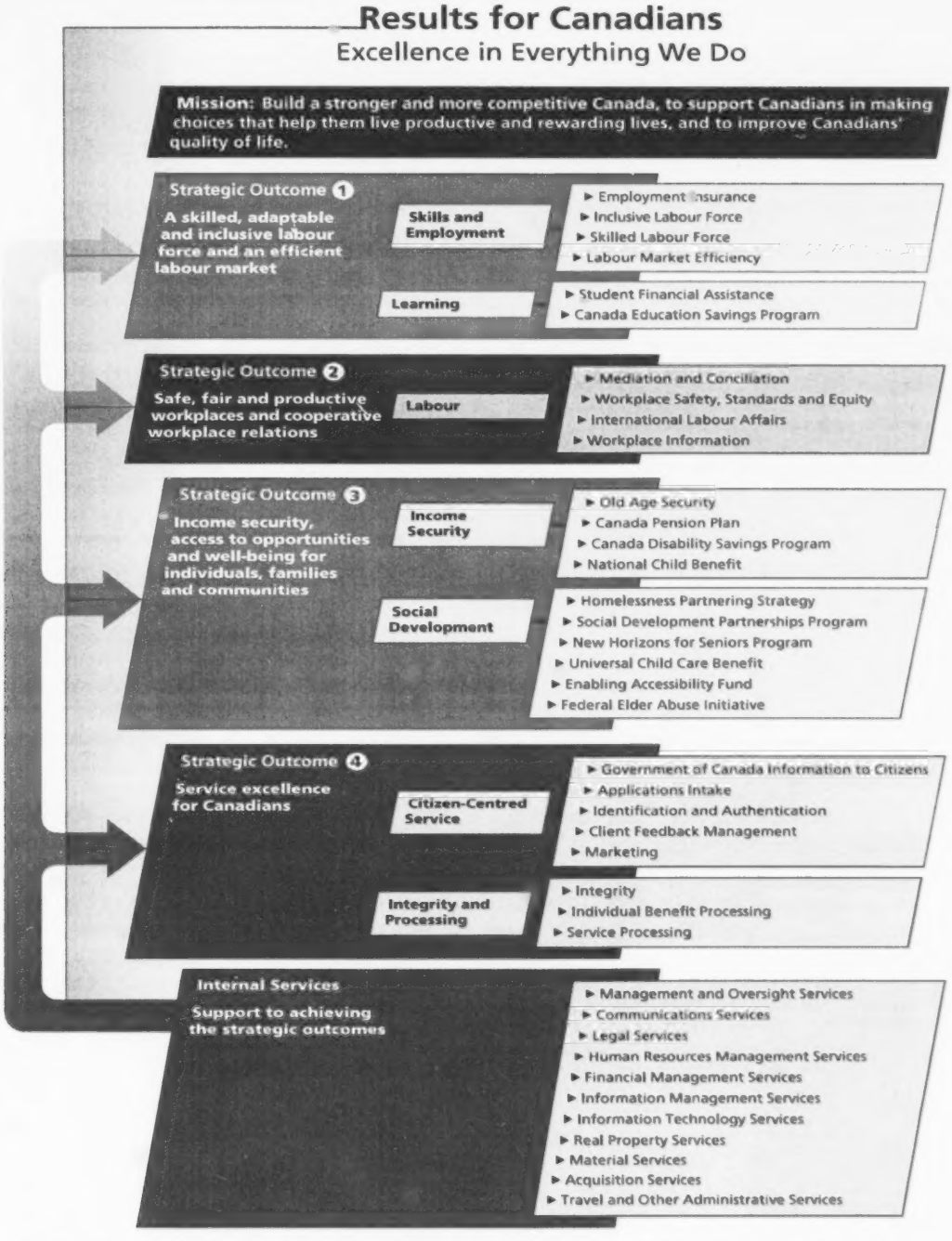
These direct benefits to Canadians are part of Canada's social safety net and represent almost 95% of the Department's expenditures. They are designed to provide seniors with basic income security, support unemployed workers, help students finance their post-secondary education, and assist parents who are raising young children, particularly those in low- and middle-income families.

HRSDC also provides funding to organizations and other levels of government through targeted labour market and social development programs that aim to improve Canada's competitiveness, increase opportunities for vulnerable Canadians, and help Canadians become more resilient, skilled and adaptable.

Through the Labour Program, HRSDC is responsible for labour laws and policies in federally regulated workplaces. The Labour Program's mandate includes promoting and protecting labour standards and workplace health and safety, facilitating constructive labour relations, developing labour-related policy and program options in response to changes in economic and social conditions, providing customized information about industrial relations and workplace trends, representing Canada in international organizations dealing with labour issues, and negotiating labour cooperation agreements and cooperative frameworks with free trade partners and emerging economic partners.

Service Canada helps citizens access HRSDC's programs, as well as other Government of Canada programs and services, at more than 600 points of service across the country. In addition to in-person services, the organization serves the needs of Canadians online at (**www.servicecanada.gc.ca**) and by telephone through 1 800 O-Canada and its integrated network of call centres.

1.3 Program Activity Architecture


Results for Canadians
Excellence in Everything We Do
Mission: Build a stronger and more competitive Canada, to support Canadians in making choices that help them live productive and rewarding lives, and to improve Canadians' quality of life.
Strategic Outcome 1
A skilled, adaptable and inclusive labour force and an efficient labour market
Skills and Employment
► Employment Insurance
► Inclusive Labour Force
► Skilled Labour Force
► Labour Market Efficiency
Learning
► Student Financial Assistance
► Canada Education Savings Program
Strategic Outcome 2
Safe, fair and productive workplaces and cooperative workplace relations
Labour
► Mediation and Conciliation
► Workplace Safety, Standards and Equity
► International Labour Affairs
► Workplace Information
Strategic Outcome 3
Income security, access to opportunities and well-being for individuals, families and communities
Income Security
► Old Age Security
► Canada Pension Plan
► Canada Disability Savings Program
► National Child Benefit
Social Development
► Homelessness Partnering Strategy
► Social Development Partnerships Program
► New Horizons for Seniors Program
► Universal Child Care Benefit
► Enabling Accessibility Fund
► Federal Elder Abuse Initiative
Strategic Outcome 4
Service excellence for Canadians
Citizen-Centred Service
► Government of Canada Information to Citizens
► Applications Intake
► Identification and Authentication
► Client Feedback Management
► Marketing
Integrity and Processing
► Integrity
► Individual Benefit Processing
► Service Processing
Internal Services
Support to achieving the strategic outcomes
► Management and Oversight Services
► Communications Services
► Legal Services
► Human Resources Management Services
► Financial Management Services
► Information Management Services
► Information Technology Services
► Real Property Services
► Material Services
► Acquisition Services
► Travel and Other Administrative Services

The HRSDC Program Activity Architecture (PAA) is a representation of the programs offered by HRSDC and the results (strategic outcomes) that the programs are designed to achieve for Canadians. The PAA also includes a program activity for services that are internal to the Department and are important in supporting the achievement of HRSDC's four strategic outcomes.

1.1 Introduction

This document provides an account of the performance of Human Resources and Skills Development Canada (HRSDC) for the period from April 1, 2009, to March 31, 2010. It reports the Department's achievements related to the commitments set out in the *2009–2010 Report on Plans and Priorities*.

1.2 Raison d'Être and Responsibilities

HRSDC's mission is to build a stronger and more competitive Canada, to support Canadians in making choices that help them live productive and rewarding lives, and to improve Canadians' quality of life. The Department delivers its mandate through three business lines: programs that support human resources and skills development, the Labour Program, and Service Canada.

Together, HRSDC's three business lines deliver a range of programs and services that affect Canadians throughout their lives, including:

- Old Age Security;
- Canada Pension Plan;
- Employment Insurance;
- Canada Student Loans and Grants;
- National Child Benefit; and
- Universal Child Care Benefit.

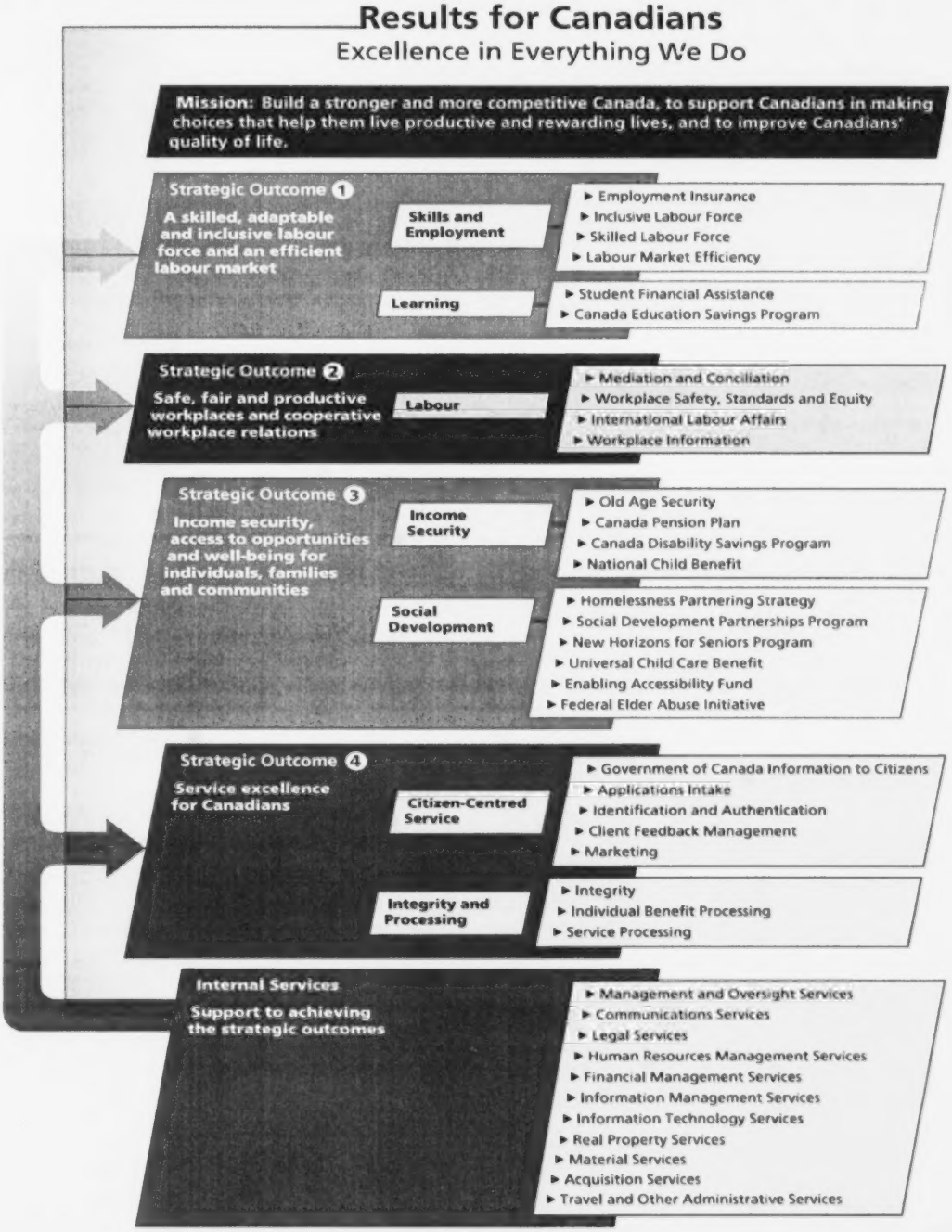
These direct benefits to Canadians are part of Canada's social safety net and represent almost 95% of the Department's expenditures. They are designed to provide seniors with basic income security, support unemployed workers, help students finance their post-secondary education, and assist parents who are raising young children, particularly those in low- and middle-income families.

HRSDC also provides funding to organizations and other levels of government through targeted labour market and social development programs that aim to improve Canada's competitiveness, increase opportunities for vulnerable Canadians, and help Canadians become more resilient, skilled and adaptable.

Through the Labour Program, HRSDC is responsible for labour laws and policies in federally regulated workplaces. The Labour Program's mandate includes promoting and protecting labour standards and workplace health and safety, facilitating constructive labour relations, developing labour-related policy and program options in response to changes in economic and social conditions, providing customized information about industrial relations and workplace trends, representing Canada in international organizations dealing with labour issues, and negotiating labour cooperation agreements and cooperative frameworks with free trade partners and emerging economic partners.

Service Canada helps citizens access HRSDC's programs, as well as other Government of Canada programs and services, at more than 600 points of service across the country. In addition to in-person services, the organization serves the needs of Canadians online at (**www.servicecanada.gc.ca**) and by telephone through 1 800 O-Canada and its integrated network of call centres.

1.3 Program Activity Architecture


Results for Canadians
Excellence in Everything We Do
Mission: Build a stronger and more competitive Canada, to support Canadians in making choices that help them live productive and rewarding lives, and to improve Canadians' quality of life.
Strategic Outcome 1
A skilled, adaptable and inclusive labour force and an efficient labour market
Skills and Employment
► Employment Insurance
► Inclusive Labour Force
► Skilled Labour Force
► Labour Market Efficiency
Learning
► Student Financial Assistance
► Canada Education Savings Program
Strategic Outcome 2
Safe, fair and productive workplaces and cooperative workplace relations
Labour
► Mediation and Conciliation
► Workplace Safety, Standards and Equity
► International Labour Affairs
► Workplace Information
Strategic Outcome 3
Income security, access to opportunities and well-being for individuals, families and communities
Income Security
► Old Age Security
► Canada Pension Plan
► Canada Disability Savings Program
► National Child Benefit
Social Development
► Homelessness Partnering Strategy
► Social Development Partnerships Program
► New Horizons for Seniors Program
► Universal Child Care Benefit
► Enabling Accessibility Fund
► Federal Elder Abuse Initiative
Strategic Outcome 4
Service excellence for Canadians
Citizen-Centred Service
► Government of Canada Information to Citizens
► Applications Intake
► Identification and Authentication
► Client Feedback Management
► Marketing
Integrity and Processing
► Integrity
► Individual Benefit Processing
► Service Processing
Internal Services
Support to achieving the strategic outcomes
► Management and Oversight Services
► Communications Services
► Legal Services
► Human Resources Management Services
► Financial Management Services
► Information Management Services
► Information Technology Services
► Real Property Services
► Material Services
► Acquisition Services
► Travel and Other Administrative Services

The HRSDC Program Activity Architecture (PAA) is a representation of the programs offered by HRSDC and the results (strategic outcomes) that the programs are designed to achieve for Canadians. The PAA also includes a program activity for services that are internal to the Department and are important in supporting the achievement of HRSDC's four strategic outcomes.

1.4 Performance Summary Tables

Total Financial Resources

	Planned Spending	Total Authorities	Actual Spending
(millions of dollars)	94,719.8	97,622.1	97,402.7

Total Human Resources

	Planned	Actual	Difference
Full-Time Equivalents	24,508	25,109	(601)

Strategic Outcome 1 — A skilled, adaptable and inclusive labour force and an efficient labour market

Financial Information

Under this strategic outcome, the Department helps Canadians take advantage of opportunities to develop skills and knowledge and to participate in and complete post-secondary education. It does so by offering programs that:

- provide temporary income support to unemployed Canadians who have contributed to the Employment Insurance (EI) program, while they look for work;
- provide loans and grants to post-secondary students;
- encourage Canadians to save for the post-secondary education of a child under 18 years of age; and
- increase skills development opportunities.

HRSDC facilitates participation in the labour force by:

- reducing barriers to the participation of groups that are under-represented in the labour force, including Aboriginal people, older workers, youth, and people with disabilities;
- reducing barriers to interprovincial labour mobility;
- providing skills and labour market information to Canadians and newcomers; and
- improving the recognition of foreign credentials.

Strategic Outcome Indicator	Targets	Performance and Historical Results
Percentage of the Canadian labour force (aged 25–64) with some post-secondary education **Source:** Internal HRSDC calculation using the Labour Force Survey	70.5%	2009–2010 results: 71.1% (See page 40 for breakdown.) Historical results: 2008–2009: 70.7% 2007–2008: 70.0% 2004–2005: 68.0% 1990–1991: 52.1%

Strategic Outcome Indicator	Targets	Performance and Historical Results
Percentage of Canadians (aged 25–64) who have attained a post-secondary education certificate, diploma or degree **Source:** Internal HRSDC calculation using the Labour Force Survey	61.8%	2009 results: 61.4% (See page 40 for breakdown.) Historical results: 2008: 60.8% 2007: 60.3% 2005: 58.3% 1990: 39.6% During the last five years, Canada has been ranked first among Organisation for Economic Co-operation and Development countries in terms of having the highest percentage of its population having attained a post-secondary credential (*Education at a Glance 2009* at **www.oecd.org**)
Proportion of working-age Canadians (aged 25–64) who participate in job-related training and employer-supported job-related training **Source:** Access and Support to Education and Training Survey	Non-Employer-Supported Job-Related Training: 34.7% Employer-Supported Job-Related Training: 25%	**Note:** The wording of this indicator and 2002 results have been revised based on a new data source (Access and Support to Education and Training Survey). The Adult Education Training Survey, reference is the *2009–2010 Report on Plans and Priorities*, is no longer available.
Percentage of unemployed individuals who were unemployed for 53 weeks or more **Source:** Labour Force Survey	4.1%*	2009–2010 results: 4.9% Historical results: 2008–2009: 3.8% 2007–2008: 4.1% 2006–2007: 4.4% 2005–2006: 4.7% 2004–2005: 4.8%

	2008	2002
Non-employer-supported job-related training	30.6%	24.6%

	2008	2002
Employer-supported job-related training	27.7%	21.7%

(Continued)

Strategic Outcome Indicator	Targets	Performance and Historical Results
Employment ratio (employed population in proportion of the working-age population) **Source:** Labour Force Survey	73.2%*	2009–2010 results: 71.3% Historical results: 2008–2009: 73.2% 2007–2008: 73.7% 2006–2007: 73.1% 2005–2006: 72.6% 2004–2005: 72.5%
Average proportion of EI regular benefits entitlement used **Source:** Administrative data	59.7%	2007–2008 results: 60.6% Historical results: 2006–2007: 59.7% 2005–2006: 59.7% 2004–2005: 59.8% 2003–2004: 60.9% 2002–2003: 61.3%

* HRSDC used past performance to establish a target for these indicators.

		2009–2010				
(Financial Resources, Gross, $ Millions)	2008–2009 Actual Spending[a]	Main Estimates	Planned Spending	Total Authorities	Actual Spending	Alignment to Government of Canada Outcomes
Skills and Employment	18,077.6	1,772.6	21,148.1	23,865.2	23,765.6	Income security and employment for Canadians
Learning	2,117.8	2,159.0	2,159.1	2,474.3	2,466.7	An innovative and knowledge-based economy
Total	**20,195.4**	**3,931.6**	**23,307.2**	**26,339.5**	**26,232.3**	

[a] Beginning in the 2009–2010 Estimates cycle, the resources for the Internal Services program activity are displayed separately from the resources for other program activities; they are no longer distributed among the remaining program activities, as was the case in previous Main Estimates. Spending by program activity for 2008–2009 has been restated to ensure comparability between fiscal years.

Strategic Outcome 2 — Safe, fair and productive workplaces and cooperative workplace relations

To achieve this strategic outcome, the Department, through the Labour Program:

- develops innovative policy and program options in response to changes in the workplace and employer-employee relations;
- collects, analyzes, and disseminates information about developments in collective bargaining, labour law and trends in workplaces across Canada;
- provides mediation and conciliation services to federally regulated employers and unions engaged in high-stakes collective bargaining;
- enforces compliance with labour and occupational health and safety standards, as defined under the *Canada Labour Code* for workplaces under federal jurisdiction;
- provides tools and advice in support of employment equity and workplace diversity;
- provides fire protection services in federal buildings and on reserves;
- administers workers' compensation claims from federal public sector employees;
- provides oversight of the Wage Earner Protection Program;
- explores modernizing legislation and regulations;
- manages federal-provincial-territorial relations among Canada's departments of labour;
- manages Canada's participation in international labour forums; and
- negotiates and implements labour cooperation agreements and cooperation frameworks in the context of free trade negotiations to advance Canada's interests and values abroad.

Strategic Outcome Indicator	Target	Performance and Historical Results
Number of problems with well addressed strategies **Source:** Administrative data	100%	2009–2010 result: 100% This indicator refers to the strategies (e.g. research, information dissemination, policy options, legislation) planned and successfully implemented with respect to existing and emerging workplace issues. A strategy is considered well-addressed if the issue has been clearly defined and the Minister of Labour has approved a forward-looking plan.

(Financial Resources, Gross, $ Millions)	2008–2009 Actual Spending[a]	2009–2010 Main Estimates	2009–2010 Planned Spending	2009–2010 Total Authorities	2009–2010 Actual Spending	Alignment to Government of Canada Outcomes
Labour	233.9	246.3	271.2	270.8	268.5	A fair and secure marketplace
Total	**233.9**	**246.3**	**271.2**	**270.8**	**268.5**	

[a] Beginning in the 2009–2010 Estimates cycle, the resources for the Internal Services program activity are displayed separately from the resources for other program activities; they are no longer distributed among the remaining program activities, as was the case in previous Main Estimates. Spending by program activity for 2008–2009 has been restated to ensure comparability between fiscal years.

Strategic Outcome 3 — Income security, access to opportunities and well-being for individuals, families and communities

HRSDC helps Canadians achieve basic income security by setting policy for and administering Canada's public pension system, which provides Canadians with retirement pensions, survivor pensions, and disability benefits, including the Canada Pension Plan, Old Age Security, and the Guaranteed Income Supplement. HRSDC also sets and administers benefit-related policies through programs such as the National Child Benefit and the Universal Child Care Benefit, and it helps Canadians with disabilities and their families save for the future through the Canada Disability Savings Program.

The Department works with partners to increase access to opportunities and well-being for individuals, families and communities through policies and programs that support:

- homeless individuals and families, as well as those at risk of becoming homeless;
- children and families;
- increased awareness of elder abuse;
- seniors;
- communities; and
- people with disabilities.

HRSDC is the lead federal department responsible for intercountry adoption in Canada. Through the Office for Disability Issues, HRSDC coordinates the Government of Canada's efforts to promote the full participation of Canadians with disabilities in learning, work and community life.

Strategic Outcome Indicator	Targets	Performance and Historical Results
Number and proportion of individuals 65 years and older who would have had low family income without public pension support **Source:** Survey of Labour and Income Dynamics	1,946,540* 47.8% of all seniors	2007 results: 1,907,250; 45.6% of all seniors Historical results: 2006: 1,946,540; 47.8% of all seniors 2005: 1,963,400; 49.9% of all seniors 2004: 1,977,400; 50.9% of all seniors
Number and proportion of individuals aged 65 years and older who had low family income **Source:** Survey of Labour and Income Dynamics	219,000 seniors* 5.4% of all seniors	2007 results: 201,200; 4.8% of all seniors Historical results: 2006: 219,000; 5.4% of all seniors 2005: 241,900; 6.1% of all seniors

* The intent of these performance indicators is to show the contribution of the Department's income security programs to lowering the low-income rate among seniors from an estimated 45.6% to 4.8% (all else being equal). Data for this indicator lags by 3 years. For this indicator, low income is measured using Statistics Canada's Low-Income Cut-Off (LICO), which estimates the threshold at which families spend 20% more of their income on necessities than the average family. The exact income cut-off varies by family size and the size of the population centre where they reside. See: http://www.statcan.gc.ca/pub/75f0002m/2010005/tbl/tbl01-eng.htm

(Financial Resources, Gross, $ Millions)	2008–2009 Actual Spending[a]	2009–2010				
		Main Estimates	Planned Spending	Total Authorities	Actual Spending	Alignment to Government of Canada Outcomes
Income Security	62,419.0	35,268.9	66,011.9	65,210.5	65,199.8	Income security and employment for Canadians
Social Development	2,794.0	2,639.5	2,769.0	2,851.4	2,796.8	A diverse society that promotes linguistic duality and social inclusion
Total	**65,213.0**	**37,908.4**	**68,780.9**	**68,061.9**	**67,996.6**	

[a] Beginning in the 2009–2010 Estimates cycle, the resources for the Internal Services program activity are displayed separately from the resources for other program activities; they are no longer distributed among the remaining program activities, as was the case in previous Main Estimates. Spending by program activity for 2008–2009 has been restated to ensure comparability between fiscal years.

Strategic Outcome 4 — Service excellence for Canadians

Service Canada is the face of the Government of Canada for millions of Canadians. Through its network of service channels, it connects Canadians with a wide range of Government programs and services. Service Canada is committed to serving the needs of Canadians, whether they are looking for basic information about Government of Canada programs and services; applying for national program benefits managed by HRSDC to which they are entitled, such as Old Age Security, Canada Pension Plan or Employment Insurance; or accessing services delivered on behalf of partners, such as the Passport Receiving Agent Service. Service Canada accomplishes this by continuing to focus on citizen-centred service excellence and through the day-to-day contributions of its professional and knowledgeable employees.

Service excellence is about providing citizens with a consistently positive service experience and sustaining service delivery that is efficient, affordable and fair, while helping the Department and the Government as a whole to realize important policy and legislative objectives. Equally, it means using Service Canada's connection to Canadians and the opportunities this presents for positive engagement, dialogue and feedback to help ensure that policy directions, program development and service delivery remain responsive to citizens' changing needs and expectations. To support continuous improvement in the delivery of service excellence, the Department conducts research and gathers feedback from citizens to help improve its ability to deliver the right service at the right time and in the right way.

Strategic Outcome Indicator	Target	Performance and Historical Results
Percentage of clients served who are satisfied with the delivery of programs and services by Service Canada **Source:** Administrative data	85%	The Department conducts a bi-annual Client Satisfaction Survey to assess service quality from the perspective of Canadians who access services through Service Canada. The last iteration of the survey was conducted in 2007–2008. Due to priorities arising from *Canada's Economic Action Plan*, resources were focussed on delivering additional services and support and as a result, the survey was postponed to 2010–2011. Historical results: 2007–2008: 83% 2005–2006: 84% 2009–2010 results from Service Canada's Office for Client Satisfaction show improvements in client satisfaction. The number of complaints received from clients in 2009–2010 decreased by 29% compared to 2008–2009. Furthermore, the number of compliments received increasing to 99 from previous results of 71 in 2007–2008. Over 60% of the compliments received were directed towards services provided under the Employment Insurance program.

(Financial Resources, Gross, $ Millions)	2008–2009 Actual Spending[a]	2009–2010 Main Estimates	Planned Spending	Total Authorities	Actual Spending	Alignment to Government of Canada Outcomes
Citizen-Centred Service	533.8	466.9	474.5	540.9	531.1	A transparent, accountable and responsive federal government
Integrity and Processing	688.9	553.5	553.5	826.4	804.7	A transparent, accountable and responsive federal government
Total	**1,222.7**	**1,020.4**	**1,028.0**	**1,367.3**	**1,335.8**	

[a] Beginning in the 2009–2010 Estimates cycle, the resources for the Internal Services program activity are displayed separately from the resources for other program activities; they are no longer distributed among the remaining program activities, as was the case in previous Main Estimates. Spending by program activity for 2008–2009 has been restated to ensure comparability between fiscal years.

Program Activity Internal Services

(Financial Resources, Gross, $ Millions)	2008–2009 Actual Spending[a]	2009–2010 Main Estimates	Planned Spending	Total Authorities	Actual Spending
Internal Services	875.7	790.8	794.2	960.0	937.4
Total	**875.7**	**790.8**	**794.2**	**960.0**	**937.4**

[a] Beginning in the 2009–2010 Estimates cycle, the resources for the Internal Services program activity are displayed separately from the resources for other program activities; they are no longer distributed among the remaining program activities, as was the case in previous Main Estimates. Spending by program activity for 2008–2009 has been restated to ensure comparability between fiscal years.

1.5 Contribution of Priorities to Strategic Outcomes

Operational Priorities	Status
Assist Canadian workers in a period of economic downturn through income support, adjustment assistance and skills investments	HRSDC played a critical role in implementing the first year of *Canada's Economic Action Plan* by providing additional Employment Insurance (EI) benefits and support to the workers most affected by the economic downturn. EI claimants received an extra five weeks of benefits, and long-tenured workers were able to access the Career Transition Assistance initiative and an extension of EI regular benefits made available through Bill C-50, *An Act to amend the Employment Insurance Act and to increase benefits*. Temporary job losses were avoided by extending Work-Sharing agreements, and Canadians had increased access to skills development and training through additional funding provided to provinces and territories under labour market development agreements and the new Strategic Training and Transition Fund. Eligible older workers benefited from additional investments in the Targeted Initiative for Older Workers, and many students received additional employment opportunities through the Canada Summer Jobs program. Aboriginal people benefited from skills development and training opportunities through the Aboriginal Skills and Employment Partnership and the Aboriginal Skills and Training Strategic Investment Fund. Additional investments supported apprentices by implementing the new Apprenticeship Completion Grant. HRSDC also implemented the *Fairness for the Self-Employed Act*, which extended EI special benefits (i.e. parental, sickness) on a voluntary basis to the self-employed. The Department launched the Aboriginal Skills and Employment Training Strategy and the Skills and Partnership Fund, which are designed to increase Aboriginal participation in the Canadian labour market. In collaboration with provinces and territories, the Department also successfully launched both the new Canada Student Grants Program for low- and middle-income students and the Repayment Assistance Plan for Canada Student Loans, and it continued to implement the Service Delivery Vision for Student Financial Assistance initiatives. **Type** New **Link to Strategic Outcomes** **Strategic Outcome 1** A skilled, adaptable and inclusive labour force and an efficient labour market

(Continued)

(Continued)

Operational Priorities	Status
Help Canadian workers and employers to maintain workplace safety, fairness, productivity and cooperation throughout the economic downturn by providing relevant and timely services and support	The Labour Program led the Budget 2009 initiative to expand the Wage Earner Protection Program, which was originally developed to cover unpaid regular wages and vacation pay when an employer goes bankrupt or enters receivership. The expansion enables the program to also cover unpaid severance and termination pay. The Labour Program increased its efforts to help employers and unions negotiate collective agreements, recognizing that economic downturns tend to generate tensions at the bargaining table and a heightened risk of strikes and lockouts when the economy can least afford them. The Labour Program played an important part in the response to the 2009 H1N1 pandemic and the management of the resulting refusals to work in the critical air transportation sector. **Type** Ongoing **Link to Strategic Outcomes** **Strategic Outcome ❷** Safe, fair and productive workplaces and cooperative workplace relations
Assist Canadians through targeted and modernized income security and social development measures for vulnerable populations (seniors, people with disabilities, homeless people and those at risk of becoming homeless, and communities)	HRSDC continued to provide timely statutory benefits to Canadians through the Canada Pension Plan (CPP), CPP Disability, Old Age Security and Guaranteed Income Supplement programs, contributing to a stable retirement income system and alleviating poverty among seniors. The Department also administered programs that provide individuals and families with access to services, information and opportunities to improve their well-being and enhance participation in their communities. In addition, HRSDC continued to assist homeless individuals and families, as well as those who are at risk of homelessness, through the Homelessness Partnering Strategy. This program exceeded its yearly targets, both in terms of funding commitments from partners and in terms of targeted investments toward longer-term transitional and supportive housing. **Type** Ongoing **Link to Strategic Outcomes** **Strategic Outcome ❸** Income security, access to opportunities and well-being for individuals, families and communities

(Continued)

(Concluded)

Operational Priorities	Status
Respond to increase in demand for services from existing Service Canada–delivered programs	The Department implemented several measures to address the increase in demand for services as a result of the economic downturn and to maintain the level of service Canadians have come to expect. As a result, it surpassed its speed-of-payment target for Employment Insurance (EI), with 84.2% of benefit payments issued within 28 days of the date applications were filed. The CPP retirement, Old Age Security (OAS) basic and Apprenticeship Incentive Grant programs also surpassed their respective speed-of-payment targets. The accuracy rate in benefit payments for EI, OAS and CPP exceeded the 95% target. **Type** New **Link to Strategic Outcomes** **Strategic Outcome 4** Service excellence for Canadians

Management Priority	Status
Support the organization's core business and priorities by delivering efficient and effective corporate services	HRSDC's management agenda includes a broad range of activities that support management excellence. The Department developed a new Risk Assessment, Management and Mitigation approach to improve the integrity of contribution programs, which was implemented across the portfolio as of April 1, 2010. The investment review office oversaw a portfolio of over 40 business-change and information technology–enabled projects in support of services to Canadians and employers, and the Department undertook activities related to its renewal priorities of creating a healthy and enabled workplace, strengthening and enabling leadership, and investing in career development. **Type** New **Link to Strategic Outcomes** **Strategic Outcome 1** A skilled, adaptable, and inclusive labour force and an efficient labour market **Strategic Outcome 2** Safe, fair, and productive workplaces, and cooperative workplace relations **Strategic Outcome 3** Income security, access to opportunities, and well-being for individuals, families, and communities **Strategic Outcome 4** Service excellence for Canadians

1.6 Risk Analysis

Over the past year, the Canadian economy experienced the effects of a global recession, including an increase in unemployment and a drop in consumer and business confidence, which fell to their lowest levels since 2001. The economic downturn increased demand for many of HRSDC's programs, including Employment Insurance (EI), labour market programs and student financial assistance. In addition, the Department's key role in delivering components of *Canada's Economic Action Plan* required rapid policy and service delivery responses.

In this context, the Department identified and addressed four risk areas: service delivery, financial resources, human resources and aging information technology infrastructure.

Service Delivery

The Department faced significant increases in the number of EI claims and applications for other labour market programs, such as Work-Sharing. The workload on the front lines presented an ongoing challenge to the Department's service delivery operations while it was being called upon to implement key components of *Canada's Economic Action Plan*.

There was a risk that the Department would be unable meet the increased demand for services and implement its part of *Canada's Economic Action Plan* in the required timeframe. A departmental SWAT Committee was established to oversee and manage risks related to implementing *Canada's Economic Action Plan*. To meet the immediate need for increased service delivery capacity, the Department increased its human resources by an additional 3,000 full-time equivalents on a temporary basis.

The Department continued to work with provincial and territorial governments to improve service to Canadians, strengthen accountability, clarify the roles and responsibilities of governments, and improve collaborative management of shared areas of responsibility. This was done by: implementing new labour market agreements and the Strategic Training and Transition Fund; negotiating new or amending existing agreements with provinces and territories for the Targeted Initiative for Older Workers; developing letters of understanding to improve information-sharing; implementing vital events agreements; and developing memoranda of understanding for service delivery collaboration.

These efforts allowed the Department to successfully implement its portion of the new measures under *Canada's Economic Action Plan* while maintaining high service standards for its programs.

Financial Resources

The rapid increase in the demand for services created funding challenges for the Department. To ensure that it could respond to this demand while implementing *Canada's Economic Action Plan*, the Department instituted a process of regular reviews of its internal plans, priorities and budgets, revising them as appropriate and seeking additional funding authorities as needed to deliver the Government of Canada's commitments. At the same time, the Department began a review of its enabling services to identify ways to increase the efficiency of its core internal services.

The Department took steps to improve its Performance Measurement Framework to provide senior management with specific performance information to guide decision-making and the reallocation of resources. Other efforts centred on improving ongoing due diligence, including improving the Department's regular financial forecasting and reporting. The Department also strengthened the integration of planning processes to improve the alignment of financial and human resources allocations with business priorities.

Human Resources

Due to the significantly increased demand for its programs, the Department needed to reallocate its existing human resources to priority areas, as well as rapidly increase the size of its workforce through the use of temporary workers. This placed significant strain on the Department's ability to manage its human resources, and particularly on its ability to hire new staff in a timely manner. To address this issue, the Department focused its mitigation efforts on implementing the Service Management Structural Model in the regions, which includes the establishment of new roles, skill profiles and recruitment strategies; standardized training and certification programs; defined career progression; performance management; and a reward

and recognition program. The Department also developed a staffing monitoring framework and increased its use of collective staffing.

In addition, the Department's workforce continued to be affected by the same demographic trends affecting the rest of the Canadian population. An aging workforce, combined with high levels of turnover, created a risk to the Department's ability to deploy the necessary human resources to meet the needs of Canadians. This risk placed growing pressure on the Department to take a systematic approach to reviewing its operations to improve the efficiency and effectiveness of the organization. As a first step towards this goal, HRSDC continued to support public service renewal in order to build a healthy, enabled workplace and workforce with strong executive and managerial leadership. Initiatives in this area included developing the skills of employees; creating an environment to facilitate employee empowerment and engagement; encouraging creativity, innovation and forward thinking; and strengthening the people and financial management infrastructure that supports the organization.

Aging Information Technology Infrastructure

The Department's aging information technology infrastructure has placed limits on its ability to implement new approaches to business processes. The increased demand for the Department's services due to the economic downturn further stressed its processing and operational systems.

The Department moved quickly over the past year to implement measures to mitigate this risk, including the launch of an infrastructure renewal program. This program has been aimed at minimizing the risk to HRSDC's critical applications through a planned approach to refreshing information technology infrastructure components, starting with the high-priority business applications that have the highest risk of failing. The Department also put in place a rigorous investment review process to ensure that allocated funding is aligned with the highest-priority objectives and developed a long-term renewal road map for modernizing its technology infrastructure and associated software applications.

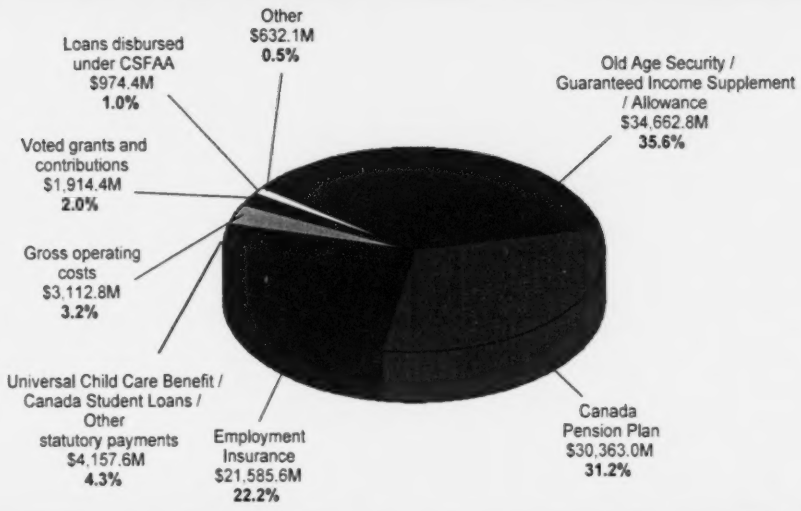
Overall Effectiveness of Risk Mitigation Strategies

The Department successfully mitigated these risks for the 2009–2010 fiscal year, allowing its three business lines to meet the demand for services during the recession and to implement the Department's contributions to *Canada's Economic Action Plan*. Many of the risks relating to human resources and the information technology infrastructure will persist over the medium-term and will require the Department to continue to monitor these areas and establish longer-term mitigation strategies. For 2010–2011, HRSDC will continue to implement its multi-year plan for managing its human and financial resources and for addressing the Department's aging information technology infrastructure.

1.7 Expenditure Profile 2009–2010

HRSDC expenditures on programs and services total more than $97 billion, of which almost $92 billion, or 94%, directly benefits Canadians through Employment Insurance (EI), the Canada Pension Plan, Old Age Security, the Universal Child Care Benefit, loans disbursed under the *Canada Student Financial Assistance Act*, and other statutory transfer payment programs. Departmental expenditures were $1.9 billion in voted grants and contributions and $2.6 billion for EI Part II.

Consolidated Total $97,402.7 Million



Human Resources and Skills Development Canada – Gross Expenditures (millions of dollars)

Budgetary		
Net Operating Costs		1,127.3
Add Recoveries in relation to:		
Canada Pension Plan	274.1	
Employment Insurance Account	1,584.3	
Workers' Compensation	117.4	
Other	9.7	1,985.5
Gross Operating Costs		3,112.8
Voted Grants and Contributions		1,914.4
Total Gross Expenditures		**5,027.2**
Other – Workers' Compensation and EI/CPP Charges and Recoveries		632.1
Non-Budgetary		
Loans disbursed under *Canada Student Financial Assistance Act* (CSFAA)		**974.4**

Statutory Transfer Payments (millions of dollars)

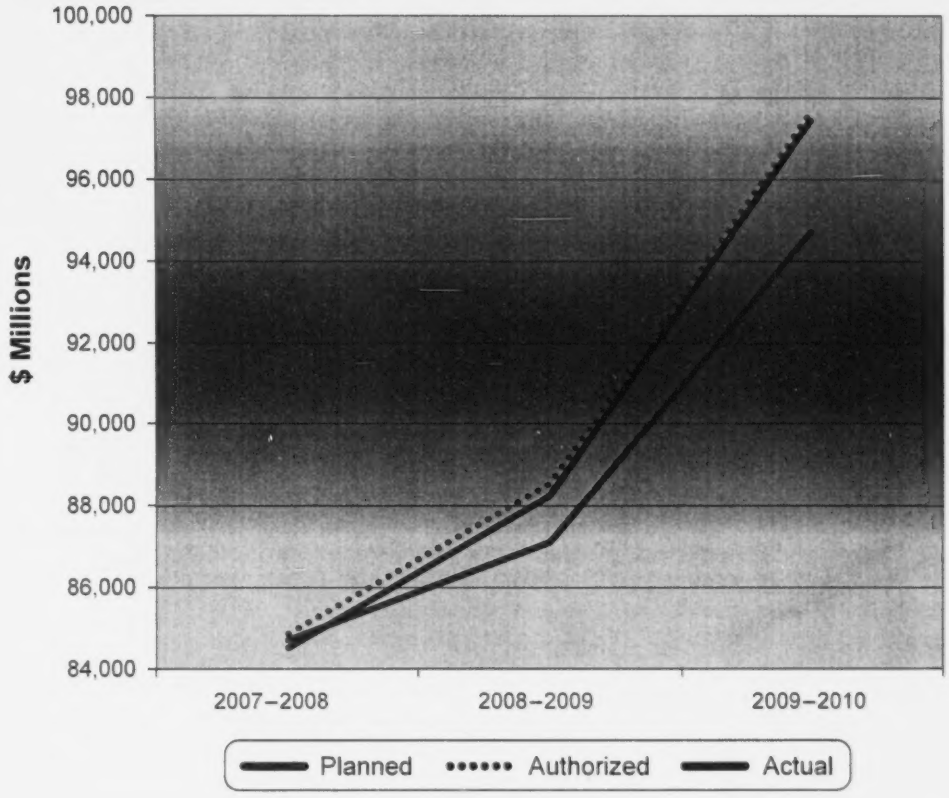
Grants and Contributions		
Old Age Security		26,391.3
Guaranteed Income Supplement		7,736.6
Allowance		534.9
Other Statutory Payments:		
Universal Child Care Benefit	2,593.6	
Canada Education Savings Grant	615.7	
Canada Student Loans	690.7	
Canada Disability Savings Grant	126.8	
Canada Learning Bond	56.7	
Wage Earner Protection Program	35.0	4,118.5
Subtotal		**38,781.3**
Canada Pension Plan Benefits		30,363.0
Employment Insurance Benefits		
Part I	18,979.8	
Part II	2,605.8	21,585.6
Other Specified Purpose Accounts		39.1[a]
Total Statutory Transfer Payments		**90,769.0**

[a] This amount includes payments related to Government Annuities Account, the Civil Service Insurance Fund, and the Canada Millennium Scholarship Foundation Excellence Awards Fund.

The figure below illustrates HRSDC's spending trend from 2007–2008 to 2009–2010. In the 2009–2010 fiscal year, the Department spent $97.4 billion to contribute to achieving its expected results.

The total authorized spending for 2007–2008 to 2009–2010 includes all parliamentary appropriation and revenue sources, Main Estimates and Supplementary Estimates. Planned spending corresponds to the forecasts presented in the Report on Plans and Priorities from each respective year.

Spending Trend



Total Consolidated Expenditures

	(Millions of dollars)			*Canada's Economic Action Plan*[a]
	2007–2008	2008–2009	2009–2010[a]	2009–2010
Planned	84,700.4	87,125.7	94,719.8	2,037.5
Authorized	84,867.4	88,520.2	97,622.1	2,307.3
Actual	84,504.4	88,264.2	97,402.7	2,272.3

[a] *Canada's Economic Action Plan* initiatives are included with 2009–2010 figures.

Actual expenditures for 2008–2009 were $3.8 billion (4.5%) higher than actual expenditures for 2007–2008, mainly as a result of a $2.0 billion increase in EI benefits and a $1.5 billion increase in CPP benefits. In addition, OAS payments were $1.4 billion higher over the same time frame due to a change in the estimated number of beneficiaries. These increases were offset by a $1.8 billion decrease in spending from 2007–2008 related to the administration and delivery by Service Canada of Common Experience Payments, one of the five components included in the *Indian Residential Schools Settlement Agreement*.

In 2009–2010, actual expenditures were $9.1 billion (10.4%) higher than in 2008–2009. This increase can be mainly explained by a $3.6 billion increase in EI benefits and administrative costs due to the economic downturn, a $2.3 billion increase for initiatives announced in *Canada's Economic Action Plan*, a $1.4 billion increase in CPP benefits, and a $1.3 billion increase in OAS payments due to changes in the estimated number of beneficiaries and the forecasted average monthly rate.

1.8 Summary of HRSDC's Contribution to *Canada's Economic Action Plan*

As part of Budget 2009, the Government of Canada introduced *Canada's Economic Action Plan*, including the Canada Skills and Transition Strategy. *Canada's Economic Action Plan* provided additional financial investments and introduced new programs to support Canadians during the recession and help them develop the skills necessary to prosper once the economy recovers. While full reporting on *Canada's Economic Action Plan* can be found at **www.actionplan.gc.ca**, the following provides a brief performance analysis for the contributions delivered by HRSDC in 2009–2010.

Initiatives under Strategic Outcome 1: A skilled, adaptable and inclusive labour force and an efficient labour market

Meet Employment Insurance–related policy and program design demands in response to rising unemployment by:

1) **providing an additional five weeks of Employment Insurance (EI) benefits, previously only available as a pilot project in specific regions with high unemployment, on a national basis for a two-year period**

   In addition, the maximum duration of benefits in areas of high unemployment has been increased from 45 to 50 weeks. These extra five weeks of benefits were provided to 597,376 EI claimants, for a total of $730 million in additional benefits delivered in 2009–2010 ($919.8 million and 2.6 million additional weeks of benefits overall). In addition, 64,675 Canadians received $215 million in additional benefits under Bill C-50, *An Act to amend the Employment Insurance Act and to increase benefits*, which extended the maximum duration of EI Part I benefits for long-tenured workers.

2) **extending the duration of Work-Sharing agreements by 14 weeks to a maximum of 52 weeks to help more companies avoid layoffs by offering EI income support to qualifying workers willing to work a reduced work week**

   Partly as a result of this extension and the changes to the flexibility of the program, over 255,000 workers had participated, or were able to continue their participation in 5,900 Work-Sharing agreements as of March 29, 2010.

3) **allowing earlier access to EI regular income benefits for workers who use some or all of their severance pay to invest in skills upgrading or other training**

   The Department implemented the Career Transition Assistance initiative, which consists of: the Severance Investment for Training Initiative, which enables workers to access EI regular benefits earlier if they use their severance pay to invest in skills upgrading or other training, and the Extended Employment Insurance and Training Incentive, which extends EI income benefits for up to two years for long-tenured

workers participating in long-term training. In 2009–2010, approximately 10,000 long-tenured workers received additional benefits in order to participate in these long-term training initiatives, for a total of $15 million in additional benefits.

4) **freezing EI premium rates for 2009 and 2010 in order to support employers and employees**

Canada's Economic Action Plan announced the freezing of the EI premium rate for 2009 and 2010 at $1.73 per $100 of insurable earnings, the same level as in 2008. This represents projected relief of $11.1 billion for Canadian workers and their employers relative to what would have been the case if rates had been set at the break-even level over these two years.

Work with provinces and territories to facilitate worker adjustment to the economic downturn by supporting investments in skills acquisition through labour market agreements and labour market development agreements by:

1) **investing $500 million, over a two-year period, in a Strategic Training and Transition Fund (STTF) to assist provinces and territories in providing programs that support the needs of workers affected by the economic downturn**

In addition to funding provided through Labour Market Agreements, the STTF assisted provinces and territories in developing initiatives to help meet the training needs of workers in affected communities and sectors so they could remain in their jobs or move to new jobs. New agreements were negotiated with Quebec and the three territories. Amending Agreements to Labour Market Agreements were also signed with all 13 provinces and territories to include the allocation for the STTF, enabling Canadians, whether or not they qualified for EI benefits, to participate in training or other employment programs. In 2009–2010, more than 70,000 Canadians received labour market services and programming funded by the STTF.

2) **increasing funding by $1 billion over two years for training delivered by provinces and territories through the EI program**

In addition to ongoing employment programming provided through Part II of the *Employment Insurance Act*, in 2009–2010, the Government of Canada provided $500 million in support of training and skills development programs to the provinces and territories through labour market development agreements. A new agreement was signed with the Government of Yukon. Then, in response to *Canada's Economic Action Plan*, Amending agreements for labour market development agreements were signed with all 13 provinces and territories. It is estimated that approximately 149,000 Canadians were served as a result of this incremental funding, with approximately 45,000 returning to work.

Improve and expand targeted program initiatives to support workers with skills and transition needs by:

1) **providing an additional $60 million for the Targeted Initiative for Older Workers (TIOW) over a three-year period (2009–2012) to enhance access to skills training and address the adjustment needs of older workers across a wider range of communities**

The additional funding made available through *Canada's Economic Action Plan* made it possible for the TIOW to target a broader range of communities and enabled more older workers to receive the specialized support they need to make the transition to new jobs. Between April 1, 2009, and March 31, 2010, 100 new provincial/territorial TIOW projects were approved and 32 existing projects were extended. Once completed, these projects will have assisted approximately 7,300 unemployed older workers.

2) **investing an additional $100 million over three years (2009–2012) in the Aboriginal Skills and Employment Partnership program to support up to 25 new projects, which will result in the creation of 6,000 jobs for Aboriginal Canadians**

As of March 17, 2010, 20 projects had been approved, committing additional funding made available under *Canada's Economic Action Plan*. These projects target 4,000 Aboriginal individuals to help them secure long-term jobs by 2012. As of March 31, 2010, 10 of these projects had been started, and the 10 remaining projects were expected to start in the first quarter of 2010–2011.

These projects funded under *Canada's Economic Action Plan* were in addition to the 16 ASEP projects already underway.

3) **investing $75 million in a new two-year (2009–2011) Aboriginal Skills and Training Strategic Investment Fund (ASTSIF)**

   ASTSIF lays the groundwork for a successor to the Aboriginal Human Resources Development Strategy and also supports additional investments in training for Aboriginal individuals facing barriers to employment. A national and regional application process was completed for ASTSIF, yielding 86 approved projects. The national component of ASTSIF is being used to support initiatives that are partnership-based and national in scope and will produce tools, services or promising practices to enhance the range of client and business services provided under the successor to the Aboriginal Human Resources Development Strategy. The regional component of ASTSIF will support training-to-employment, skills development and service improvement projects on a regional basis. ASTSIF funding has been fully committed, and results will be published at **www.actionplan.gc.ca** as soon as they are available.

4) **assisting youth by delivering targeted funding of $20 million over two years (2009–2011) through the Canada Summer Jobs program to enable more employers to hire summer students**

   The Department concluded more than 22,000 agreements and helped create approximately 37,500 summer jobs for students in 2009. Over 3,500 of these jobs can be attributed to the additional funding received under *Canada's Economic Action Plan*.

Help raise the number of completions and encourage young people to launch a career in one of the Red Seal skilled trades by implementing the Apprenticeship Completion Grant of $2,000 on an ongoing basis

The Apprenticeship Completion Grant was implemented in July 2009 with eligibility made retroactive to January 1, 2009, as part of *Canada's Economic Action Plan*. This grant builds on the existing Apprenticeship Incentive Grant to encourage more Canadians to complete their apprenticeship in the Red Seal trades. In 2009–2010, the Department received 24,603 applications and issued 18,861 grants.

Invest $50 million over two years (2009–2011) in HRSDC's Foreign Credential Recognition Program and Citizenship and Immigration's Foreign Credential Recognition Office to develop a pan-Canadian *Framework for the Assessment and Recognition of Foreign Qualifications* in partnership with provinces and territories

The *Pan-Canadian Framework for the Assessment and Recognition of Foreign Qualifications* and an implementation plan were developed in conjunction with the provincial and territorial governments and were announced by the Minister of Human Resources and Skills Development in November 2009. HRSDC is co-leading the ad hoc Federal-Provincial/Territorial Foreign Qualification Recognition Working Group and overseeing the implementation of the Framework through the establishment of four task teams (Analysis, Consultation and Communication, Informing Sharing, and Metrics & Reporting).The Foreign Credential Recognition Program invested in 67 projects, 43 of which were supported by funding from *Canada's Economic Action Plan*.

Initiatives under Strategic Outcome 2: Safe, fair and productive workplaces and cooperative workplace relations

Deliver core programs, such as the Wage Earner Protection Program, that foster safety, fairness and productivity in workplaces under exclusive federal jurisdiction, and ensure that those programs are responsive to the economic challenges facing Canadian employers and workers.

Under *Canada's Economic Action Plan* in 2009–2010, the federal government expanded the scope of the WEPP to include unpaid severance and termination pay and committed an additional $25 million per year to cover the new eligible amounts. As a result, HRSDC distributed nearly $35 million in WEPP payments to 16,264 Canadian workers.

Canada's Economic Action Plan — Details by Initiative

Initiative	2009–2010 Financial Resources (millions of dollars)		
	Planning Spending	Total Authorities	Actual Spending
Increase in EI Regular Benefits Duration (extra 5 weeks)	575.0	919.8	919.8
New Measures for Long-Tenured Workers – The Career Transition Assistance Initiative (EI)	250.0	15.0	15.0
EI Long-Tenured Workers (Extension of Regular Benefits)	165.0	214.6	214.6
Work-Sharing (EI)	100.0	211.2	211.2
Wage Earner Protection Program	25.0	22.6	22.5
Subtotal – Direct payments to Individuals / Benefits	**1,115.0**	**1,383.2**	**1,383.1**
CONTRIBUTION AGREEMENTS / OTHER PROGRAMS			
EI Training Programs (LMDA Increased Funding)	500.0	500.0	500.0
Strategic Training and Transition Fund	250.0	253.5	253.5
Canada Summer Jobs Program	10.0	10.1	10.1
YMCA/YWCA Grants for Youth Internships	15.0	15.0	15.0
Targeted Initiative for Older Workers	20.0	20.0	5.2
Apprenticeship Completion Grant	40.0	40.0	39.4
Foreign Credential Recognition Program	17.5	17.5	8.3
Aboriginal Skills and Employment Partnership	20.0	16.8	8.4
Aboriginal Skills and Training Strategic Investment Fund	25.0	24.7	24.4
Aborignal Human Resources Development Strategy	25.0	25.0	23.4
Federal Public Service Student Employment Program	-	1.5	1.5
Subtotal – Contribution Agreeements / Other Programs	**922.5**	**924.1**	**889.2**
TOTAL HRSDC	**2,037.5**	**2,307.3**	**2,272.3**

1.9 Voted and Statutory Items

Voted and Statutory Items

(in millions of dollars)

Vote / Statutory Item	Truncated Vote or Statutory Wording (millions of dollars)	2007–2008 Actual Spending	2008–2009 Actual Spending	2009–2010 Main Estimates[a]	2009–2010 Actual Spending
1	Operating expenditures	2,500.9	709.5	586.9	721.3
5	Grants and contributions	1,027.3	1,552.6	1,443.5	1,914.4
7	Write-off of Debts	0.4	-	-	0.1
(S)	Contributions to employee benefit plans	236.9	248.5	221.3	287.1
(S)	Minister of Human Resources and Skills Development - Salary and motor car allowance	0.1	0.1	0.1	0.1
(S)	Minister of Labour - Salary and motor car allowance	0.1	0.1	0.1	0.1
(S)	Old Age Security Payments	24,029.8	25,334.5	26,549.0	26,391.3
(S)	Guaranteed Income Supplement Payments	7,406.7	7,511.5	8,091.0	7,736.6
(S)	Universal Child Care Benefit	2,474.3	2,547.8	2,544.0	2,593.6
(S)	Canada Education Savings grant payments to Registered Education Savings Plans (RESPs) trustees on behalf of RESP beneficiaries to encourage Canadians to save for post-secondary education for their children	579.7	580.7	626.0	615.7
(S)	Allowance Payments	518.2	531.2	557.0	534.9
(S)	Canada Study Grants to qualifying full and part-time students pursuant to the *Canada Student Financial Assistance Act*	161.5	143.2	511.5	533.7
(S)	Payments related to the direct financing arrangement under the *Canada Student Financial Assistance Act*	292.3	298.2	300.9	235.9
(S)	Canada Learning Bond payments to Registered Education Savings Plans (RESPs) trustees on behalf of RESP beneficiaries to support access to post-secondary education for children from low-income families	35.8	47.8	43.0	56.7
(S)	Payments of compensation respecting government employees and merchant seamen	39.5	46.2	40.0	37.1
(S)	The provision of funds for interest and other payments to lending institutions and liabilities under the *Canada Student Financial Assistance Act*	36.3	22.9	31.9	11.6
(S)	Wage Earner Protection Program payments to eligible applicants owed wages and vacation pay, severance pay and termination pay from employers who are either bankrupt or in receivership as well as payments to trustees and receivers who will provide the necessary information to determine eligibility	-	3.7	31.2	35.0
(S)	The provision of funds for liabilities including liabilities in the form of guaranteed loans under the *Canada Student Loans Act*	(19.1)	(14.5)	4.5	(9.5)
(S)	Canada Disability Savings Grant payments to Registered Disability Savings Plan (RDSP) issuers on behalf of RDSP beneficiaries to encourage long-term financial security of eligible individuals with disabilities	-	0.1	3.3	83.9
(S)	Canada Disability Savings Bond payments to Registered Disability Savings Plan (RDSP) issuers on behalf of RDSP beneficiaries to encourage long-term financial security of eligible individuals with disabilities	-	-	1.9	42.9
(S)	The provision of funds for interest payments to lending institutions under the *Canada Student Loans Act*	0.1	0.1	-	0.1
(S)	Civil Service Insurance actuarial liability adjustments	-	0.1	0.1	0.1
(S)	Energy Cost Benefit	0.1	-	-	-
(S)	Spending of proceeds from disposal of Crown Assets	0.1	0.1	-	-
(S)	Spending pursuant to section 12(4) of the *Canada Education Savings Act*	-	0.1	-	0.3
	Total Budgetary	39,321.0	39,564.5	41,587.2	41,823.0
	Plus: Non-Budgetary				
	Loans disbursed under the *Canada Student Financial Assistance Act*	1,099.5	987.9	596.0	974.4
	Total Department	40,420.5	40,552.4	42,183.2	42,797.4
	Plus: Specified Purpose Accounts:				
	Employment Insurance costs	16,063.2	18,136.5	-	23,667.0
	Canada Pension Plan costs	28,135.7	29,699.1	-	31,096.4
	Other Specified Purpose Accounts costs	45.2	42.3	-	39.4
	Departmental Employee Benefit Plan recoverable from Employment Insurance Account and Canada Pension Plan	(160.2)	(166.1)	-	(197.5)
	Total Consolidated Expenditures	84,504.4	88,264.2	42,183.2	97,402.7

[a] As published in Main Estimates 2009-2010.

Section II Analysis of Program Activities by Strategic Outcome

Human Resources and Skills Development Canada

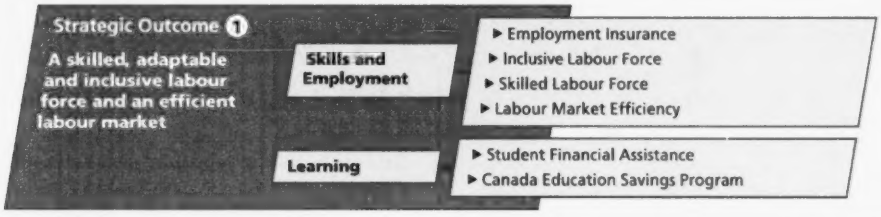
Analysis of Program Activities by Strategic Outcome

Note The following methodology was used to assign a performance status to the performance indicators found in this section

Result as a Percentage of Target	Performance Status
105% or greater	Exceeded
95–104%	Met
80–94%	Mostly met
60–79%	Somewhat met
Less than 60%	Not met

This methodology was established to account for the margin of error associated with measurements and to ensure balanced reporting.

2.1 Strategic Outcome 1


Strategic Outcome 1
A skilled, adaptable and inclusive labour force and an efficient labour market
Skills and Employment
Learning
▸ Employment Insurance
▸ Inclusive Labour Force
▸ Skilled Labour Force
▸ Labour Market Efficiency
▸ Student Financial Assistance
▸ Canada Education Savings Program

2.1.1 Program Activity: Skills and Employment

Priorities

Assist Canadian workers in a period of economic downturn through income support, adjustment assistance and skills investments

Benefits to Canadians

HRSDC helps Canadian workers become self-reliant and adapt to changes in the labour market through the Employment Insurance (EI) program, which provides temporary income support to eligible unemployed workers, as well as through other programs designed to improve Canadians' labour market outcomes and Canada's labour market. Since skilled workers are unemployed less frequently and for shorter periods of time, HRSDC encourages workers to increase their self-reliance and adaptability and to actively seek re-employment by helping them participate in training, acquire credentials, and improve their skill levels.

HRSDC makes substantial efforts to help Canadian employers meet their labour force needs and remain competitive. Its programs are designed to help employers find qualified workers (domestically or internationally trained) to meet their immediate and long-term needs and to provide employers with tools to invest in developing the skills of their workforce.

To support an adequate labour market supply and increase its inclusiveness, HRSDC works to increase the participation of under-represented groups such as youth, people with disabilities, Aboriginal peoples and older workers in the labour force.

HRSDC's programs also help improve labour market efficiency and the balance of supply and demand in the national labour market. They do this by providing timely, high-quality labour market information; improving labour mobility to allow workers to move from areas of high unemployment to areas of low unemployment, thus reducing labour market imbalances; and improving the recognition of

qualifications so that Canadians, including those who are internationally trained, have the opportunity to find jobs comensurate with their skills and training.

To deliver these programs, the Department relies on collaborative relationships with business and labour representatives, provinces and territories, Canadian financial institutions, Aboriginal organizations and other stakeholders.

Program Activity Skills and Employment

Financial Resources (millions of dollars) and Human Resources (Full-Time Equivalents)

2009–2010			2009–2010		
Planned Spending	Total Authorities	Actual Spending	Planned	Actual	Difference
21,148.1	23,865.2	23,765.6	2,251	2,151	100

Note: Financial and human resources amounts for this program activity include resources related to initiatives under *Canada's Economic Action Plan*. See page 29 for details by initiative.

Expected Result Canadians, including the under-represented groups and vulnerable workers, have the opportunity to acquire skills to find and maintain productive employment

Performance Summary 2009–2010

Performance Indicator	Target, Performance Status, Historical Results
Number of clients employed and/or returned to school following an employment program intervention as a proportion of the total number of clients who complete their employment program intervention(s) **Source:** Administrative data **Note:** This indicator measures federally delivered programs only: Youth Employment Strategy, Opportunities Fund for Persons with Disabilities, and Aboriginal Skills and Employment Partnership.	**55%–62%** 2009–2010 results: 32,941 Proportion: 56.8% **MET** Historical results: 2008–2009: 34,811; Proportion: 61.3% 2007–2008: 32,396; Proportion: 59.9%

- The total number of clients who became employed or returned to school following an intervention was 32,941, a decrease of 5.4% over the previous year, likely due to the economic downturn, which caused less favourable employment conditions during the reporting period.

Expected Result The Red Seal program is recognized by industry as a standard for certification of competency in the skilled trades

Performance Summary 2009–2010

Performance Indicator	Target, Performance Status, Historical Results	
Percentage of apprentices covered by a Red Seal trade **Source:** Statistics Canada, Registered Apprenticeship Information System	**88.8%** 2007 results: 87.5% **MET**	Historical results: 2006: 88.8% 2005: 89.1% **Note:** The latest data available covers the 2007 calendar year, and the figures reported above represent the percentage at the end of the calendar year.

- While the number of new apprentices registering in a Red Seal trade increased by 3.3% over the previous year, the number of new apprentices in non–Red Seal trades increased by 27.2% over the same period. The non–Red Seal trades of Early Childhood Educator, Information Technology Contact Centre Agent and Software Information Systems Analyst all saw large increases in 2007. These three apprenticeable trades are found in one jurisdiction and account for over 40% of all apprentices in non–Red Seal trades.
- HRSDC is a member of the Canadian Council of Directors of Apprenticeship and provides the national secretariat for the administration of the Red Seal Program. HRSDC continues to work with the Council to expand labour market coverage of the Red Seal Program to new inter-jurisdictional trades.

Expected Result The capacity exists for employers to deliver employment, training and assessment services to Canadians

Performance Summary 2009–2010

Performance Indicator	Target, Performance Status, Historical Results	
Percentage of sector councils that meet or exceed performance **Source:** Administrative data	**90%** 2009–2010 results: 94% **MET**	Historical results: 2008–2009: 97% 2007–2008: 95%

- Each year, sector councils are assessed against a number of factors that evaluate their ability to meet the collective human resources needs of their sectors. Strategically important sectors are also assessed through the size and strength of the sector, alignment with federal and provincial priorities, and the severity of human resources issues.
- For a council to be considered performing, it must represent its industry, produce measurable results, understand the prevailing human resources challenges in the sector and build on opportunities with key stakeholders.
- Due to sample size, results for this indicator vary considerably from year to year; to account for this, HRSDC has established a 90% threshold for acceptable performance for this indicator.

Expected Result The needs of foreign workers, employers and other stakeholders are met

Performance Summary 2009–2010

Performance Indicator	Target, Performance Status, Historical Results	
Percent of skilled immigrants targeted by systematic Foreign Credential Recognition Program interventions **Source:** Administrative data	**60%** 2009–2010 results: 61% **MET**	Historical results: 2008–2009: 57% 2007–2008: 53.7%

- Since 2007–2008, the program has increased its coverage of the immigrant labour market by more than 7% due to additional investments in the following target occupations: dentists, geochemists and geophysicists (regulated occupations); financial managers (non-regulated occupation); and occupations within the tourism sector (trades).

Expected Result Temporary financial assistance is provided to unemployed workers who are eligible under Part 1 of the *Employment Insurance Act*

Performance Summary 2009–2010

Performance Indicator	Target, Performance Status, Historical Results	
The proportion of unemployed individuals eligible to receive benefits, among those who had a recent job separation that met EI program eligibility criteria **Source:** Employment Insurance Coverage Survey	**82.3%** 2009 results: 86.2% **MET**	Historical results: 2008: 82.2% 2007: 82.3% 2006: 82.7%

- This indicator measures the proportion of unemployed Canadians who qualified for EI income replacement benefits because they had worked enough hours to meet the variable entrance requirement for their EI region prior to a recent job separation that met EI program eligibility criteria.
- By using variable entrance requirements, the EI program has built-in flexibility specifically designed to respond to changes in local labour markets, with entrance requirements easing and duration of benefits increasing as the unemployment rate rises.

Performance Analysis

Employment Insurance

When the economy struggles, temporary income support is a vital resource for unemployed Canadians while they upgrade their skills or look for work. In total, there was $21,585.6 billion in EI benefit expenditures in 2009–2010, an increase of $5,277.4 billion over the previous year.

Numerous programs to help unemployed Canadians prepare for, find and keep employment are already in place under Part II of the *Employment Insurance Act*. Through labour market development agreements, the Government of Canada transfers $1.95 billion each year to the provinces and territories to support employment programming for eligible clients. In 2009–2010, 731,194 clients were served, and 220,781 returned to work. A total of 1,161,822 Employment Benefits and Support Measures interventions were delivered in 2009–2010, an increase of 93,000 over the previous year.

Employers benefited from much-needed assistance through the Work-Sharing program, which is available to companies facing layoffs due to the economy. The Department introduced greater flexibility in this program, which increased the number of Canadians eligible to participate. EI regulatory amendments that make it easier for employers to submit information electronically and that streamline both employer and employee reporting requirements were also introduced, expediting EI claims processing related to the Work-Sharing program.

Self-employed Canadians were given access to EI maternity, parental, adoption, sickness and compassionate care benefits on a voluntary basis with the implementation of the *Fairness for the Self-Employed Act*. Changes introduced by the Act were effective January 31, 2010, and benefits will start to be paid in January 2011. As of March 2010, approximately 2,000 self-employed Canadians had opted in to the EI program under this provision.

Long-tenured workers were assisted by Bill C-50, *An Act to amend the Employment Insurance Act and to increase benefits*, which extended EI regular benefits for them, and the Career Transition Assistance initiative, which was implemented to help them update their skills and acquire new ones. This initiative, which was delivered in partnership with provinces and territories, consists of two components—the Extended Employment Insurance and Training Incentive and the Severance Investment for Training Initiative—and benefited more than 10,000 long-tenured workers in 2009–2010.

The EI premium rate was frozen for 2009 and 2010 at $1.73 per $100 of insurable earnings, which is the same rate as in 2008 and the lowest rate since 1982. Keeping the premium rate low helps employers create and maintain jobs and Canadians keep more of their hard-earned money when they need it most. The Department also supported the establishment of the Canada Employment Insurance Financing Board, and as of September 2009, all seven members of its Board of Directors had been appointed. Work is now underway for the Board to be fully operational in time to set the 2011 EI premium rate, as per the Government's commitment in Budget 2010.

Inclusive Labour Force

In difficult economic times, unemployed adults and specific groups who face challenges in developing skills and participating fully in the labour market can be more affected than others. With the support of additional funding through the Canada Skills and Transition Strategy, HRSDC's programs made progress toward meeting the needs of these groups and creating a more inclusive labour force.

For example, through the Canada Summer Jobs program, students were able to participate in over 37,500 summer jobs in 2009, 3,500 of which were created as a result of additional support provided by Budget 2009. The application phase for summer 2010 was launched in February 2010; 28,726 applications were received. In addition, as of March 2010, more than 400 youth were placed in internships with not-for-profit and community service organizations through grants to the YMCA and YWCA, with a focus on environmental projects.

Through *Canada's Economic Action Plan*, HRSDC provided increased funding of $60 million over three years for the Targeted Initiative for Older Workers (TIOW). TIOW contribution agreements with all previously participating provinces and territories (Newfoundland and Labrador, Prince Edward Island, Nova Scotia, New Brunswick, Quebec, Saskatchewan, British Columbia, Yukon and Northwest Territories) were successfully amended to reflect the increased

Budget 2009 funds. New TIOW agreements were also negotiated and signed with Manitoba, Nunavut and Ontario.

Skilled Labour Force

Meeting the future need for skilled tradespeople is crucial to the sustained growth of the economy. The Department promoted access to apprenticeships and supported improved labour mobility through investments in the Red Seal skilled trades. The Apprenticeship Incentive Grant continued to help first- and second-year/ (or equivalent) apprentices in a Red Seal trade cover their expenses related to tuition, travel and tools. Additionally, the Apprenticeship Completion Grant announced in Budget 2009 further encouraged and helped apprentices to complete their apprenticeship program and receive journeyperson certification in the designated Red Seal trades. In 2009–2010, the Department issued nearly 59,000 Apprenticeship Incentive Grants and nearly 19,000 Apprenticeship Completion Grants.

Contributions to the skills development and training needs of Canadian employers were also made through the Sector Council Program. Through this program, the Department facilitated employers' access to the skills development and training solutions needed to address the current and anticipated labour market needs of employers in 34 sectors of the economy.

The Workplace Skills Initiative was created to encourage and support sustainable ways to increase skills development and improve the human resources practices of Canadian workplaces. Through its remaining 2009–2010 commitments, the Initiative enabled 24 organizations, along with key stakeholders and partnering small and medium enterprises, to test 200 pilot projects in 1,500 businesses. Completed pilot projects have generated interest from provinces, territories and other labour market stakeholders, some of which have adopted activities similar to those in the successful pilot projects as best practices within their organizations.

Labour Market Efficiency

Measurable progress is being made in addressing barriers to foreign credential recognition in Canada through the support of the Foreign Credential Recognition Program and the Foreign Credentials Referral Office. The Government of Canada invested $25 million in these areas in 2009–2010, and in collaboration with provinces and territories, it supported the development of a common framework for assessing and recognizing newcomers' qualifications fairly, transparently, consistently, and in a timely manner. In 2009–2010, there were 67 agreements in progress, 43 of which were being supported with funding from *Canada's Economic Action Plan*.

The Department also undertook significant work to follow up on the commitment made by First Ministers on August 11, 2009 to reduce barriers to labour mobility by recognizing, across all jurisdictions, any worker certified for an occupation by a regulatory authority of one province or territory. Through the Forum of Labour Market Ministers, HRSDC worked with provincial and territorial partners to implement the amended Chapter 7 of the *Agreement on Internal Trade*. The Department supported the implementation directly and in conjunction with partners to raise awareness, facilitate changes and ensure that obligations under the new Chapter are being met. Key stakeholders, such as national occupational associations, were supported through 25 funding agreements, enabling them to develop tools and processes that will assist them in meeting their obligations under Chapter 7. In addition, the Department engaged federal employers that are not subject to the *Public Service Employment Act* (i.e. Crown corporations and agencies) to inform them of their obligations under the new Chapter. Provinces and territories are currently at different stages of implementing Chapter 7; many are either introducing overarching labour mobility legislation or amending individual acts.

Plans and Achievements for 2009–2010

Because implementing *Canada's Economic Action Plan* was the main priority for Skills and Employment in 2009–2010, plans and achievements can be found in the section entitled "Summary of HRSDC'S Contribution to *Canada's Economic Action Plan*".

Lessons Learned

Foreign Credential Recognition Program

The summative evaluation of the Foreign Credential Recognition Program (FCRP) was undertaken from April 2008 to April 2009. The evaluation, which was designed to assess performance between 2004 and

2008, determined that the FCRP is relevant and cost-effective overall, that it has contributed to a greater understanding and awareness of foreign credential recognition issues, and that it has made progress in reducing barriers to foreign credential recognition. However, slower progress was noted with regard to increasing the availability of foreign credential recognition tools and processes and standardizing assessment tools and processes in occupations beyond the initial investments in the engineering and physician occupations. Key recommendations in the evaluation report included improving the selection of investments and employer engagement strategies, adjusting the phased project approach, and improving the mechanisms for avoiding duplication with related federal programs.

Aboriginal Programming

The Aboriginal Human Resources Development Strategy (AHRDS), which was launched in 1999 as a five-year, $1.6 billion commitment to improve Aboriginal peoples' access to employment and skills training, expired on March 31, 2010. The Aboriginal Skills and Employment Training Strategy (ASETS), the successor to the AHRDS, has been adapted to address policy and programming gaps in the AHRDS, as well as the fundamentals of sustainable economic development. To achieve these ends, ASETS is built on three strategic priorities: demand-driven skills development; partnerships with the private sector, with the provinces and territories, and across the federal government; and accountability for improved results.

Responsiveness to the needs of the private sector is essential for a successful Aboriginal labour market strategy. Consequently, a strengthened relationship between Aboriginal service delivery organizations and the private sector is required. The new Program required service providers to develop a strategy for employer partnerships and improved integration with the private sector, so that training is better aligned with employers' current needs.

ASETS also aims to encourage stronger horizontal linkages by promoting a partnership-based approach among Aboriginal service delivery organizations and all levels of government in the program. Partnering with provinces, territories and municipalities is integral to the efficiency and effectiveness of Aboriginal labour market programming because it reduces duplication and increases opportunities to leverage resources.

Improved client data, tracking, and reporting will facilitate the analysis of results and ensure that program adjustments are timely and appropriate. With a better understanding of the local labour market environment and its key players, Aboriginal service delivery organizations will be better able to customize client plans to demand, and to improve returns to work and prospects for long-term employment.

Temporary Foreign Worker Program

Findings from the *2009 Fall Report of the Auditor General of Canada to the House of Commons* (Chapter 2, "Selecting Foreign Workers under the Immigration Program") point to the importance of clear operational directives and guidance as the basis of program integrity. The lessons learned include the importance of providing regional officers with ongoing training in new directives to ensure clear understanding and consistent interpretation and application; having strong interdepartmental coordination to ensure clear roles and responsibilities; and using effective and proactive messaging about program policies with external stakeholders. The Temporary Foreign Worker Program developed a management action plan to address and report progress on responding to the Auditor General's findings. The Program will next provide an update to the House of Commons Standing Committee on Public Accounts in January 2011.

2.1.2 Program Activity: Learning

Benefits to Canadians

Participating in post-secondary education lays the foundation for a more skilled, adaptable and inclusive labour force and a more efficient labour market. This, in turn, contributes to the well-being of Canadians, Canada's prosperity, and the quality of life of all Canadians.

Under this program activity, HRSDC helps Canadians attend college, university, and trade schools by issuing loans and grants to students through the Canada Student Loans Program (CSLP) and the Canada

Student Grants Program (CSGP). The Department also encourages Canadians to save for post-secondary education by contributing to a Registered Education Savings Plan (RESP) through the Canada Education Savings Program (CESP). Once student loan borrowers leave post-secondary education, the Repayment Assistance Plan makes it easier for them to manage their debt by paying back what they can reasonably afford.

For individuals, the benefits of post-secondary education are clear: it gives them the skills and credentials they need to succeed in the labour market. Workers with higher-level skills and credentials tend to be more productive, earn higher wages, have greater earnings growth over their lifetimes, are more likely to be employed and remain in the labour force longer, adapt to changes in the labour market more easily, and make career and life transitions more successfully. As a result, they experience a higher quality of life and use fewer government transfers such as Employment Insurance and social assistance.

For employers, post-secondary education addresses skills shortages and builds the skilled labour force they need to grow their businesses. Investments in learning programs increase the number, education level and skills of potential employees. The increase in the availability of skilled labour drives innovation and reduces skills shortages that limit economic growth. Since more educated employees tend to be more adaptable, having a more educated workforce allows employers to adopt new technologies and techniques more quickly, facilitating increased productivity and innovation. Post-secondary credentials also provide employers with trusted evidence of a person's skills, perseverance and ability to complete a degree, diploma or trade school program. Employers rely on these credentials to assess job applicants, which increases the efficiency of the labour market by making it easier and less costly to match jobs with job seekers. Furthermore, since competition is global, and jobs and capital are becoming increasingly mobile, a greater supply of skilled workers helps to attract and retain foreign investment.

Learning programs also contribute to the inclusiveness of the labour force by helping Canadians participate more equitably in post-secondary education. They do this by providing incentives and greater access to financing to students from under-represented groups, which may include students from low-income families, students who are single parents, students with disabilities, students from rural areas, and others. This helps to ensure that their potential talent is more fully utilized.

Finally, for society, research has shown that a more educated population is strongly linked to safer communities, a healthier population, a more sustainable environment, higher levels of volunteerism and charitable giving, a greater appreciation of diversity, and stronger social cohesion.

Program Activity **Learning**

Financial Resources (millions of dollars) and Human Resources (Full-Time Equivalents)

2009–2010			2009–2010		
Planned Spending	Total Authorities	Actual Spending	Planned	Actual	Difference
2,159.1	2,474.3	2,466.7	314	443	(129)

Expected Result Canadians have the skills and credentials to succeed in the labour market

Performance Summary 2009–2010

Performance Indicators	Targets, Performance Status, Historical Results	
Percentage of the Canadian labour force (aged 25–64) who have attained a post-secondary education certificate, diploma or degree **Source:** Internal HRSDC calculation using the Labour Force Survey	**64.3%** 2009 result: 65.0% **MET**	Historical results: 2008: 64.3% 2007: 63.7% 2006: 62.8% 2005: 62.0% 2004: 60.4% 1990: 44.2%

Over the past five years, the percentage of the Canadian labour force aged 25–64 who have attained a post-secondary credential has been increasing steadily.

Post-Secondary Education Attainment Rates
Canadians in the Labour Force
2009 Actual – Annual Average

	Age Group			
Level attained	**15–24**	**25–64**	**65+**	**Total 15–65+**
Trades certificate or diploma	5.9%	12.3%	12.9%	11.3%
College or university (below bachelor)	13.9%	25.6%	16.4%	23.6%
Bachelor's degree	6.8%	18.5%	12.1%	16.5%
Graduate degree	0.7%	8.6%	12.6%	7.5%
Total with post-secondary credential	**27.3%**	**65.0%**	**53.9%**	**58.8%**
Some post-secondary education	20.6%	6.1%	5.2%	8.3%
Total with some post-secondary education	**47.9%**	**71.1%**	**59.1%**	**67.2%**

Expected Result Canadians have the skills and credentials to succeed in the labour market *(continued)*

Performance Summary 2009–2010

Performance Indicators	Targets, Performance Status, Historical Results	
Proportion of Canadians who were attending university or college **Source:** Internal HRSDC calculation using the Labour Force Survey	**8.4%** 2009 result: 8.5% **MET**	Historical results: 2008: 8.3% 2007: 8.4% 2006: 8.5% 2005: 8.6% 2004: 8.5% 1990: 7.5%

The proportion of Canadians aged 17–29 (the core age group for participation in post-secondary education) who were attending university or college increased from 18.1% in 1990 to 26.1% in 2009.

Proportion of Canadians Attending University or College 2009 Actual – Annual Average for In-School Months

Age Group	Full Time	Part Time	Total
17–21	37.0%	2.2%	39.2%
22–24	25.1%	4.1%	29.2%
25–29	8.1%	3.4%	11.6%
Overall 17–29	**23.0%**	**3.1%**	**26.1%**
Overall 15–64	6.8%	1.7%	8.5%
Overall 25–64	2.1%	1.6%	3.6%

Expected Result Children under 18 have savings for their post-secondary education in RESPs

Performance Summary 2009–2010

Performance Indicators	Targets, Performance Status, Historical Results	
Percentage of Canadians under 18 in the 2009 calendar year who have ever benefited from a CESP incentive **Source:** Administrative data	**39.7%** 2009 result: 40.6% **MET**	Historical results: 2008: 39.7% 2007: 37.8% 2006: 34.9% 2005: 32.4% 2004: 30.3%
	With an economic slowdown, no increase in the demand for Canada Education Savings Grants was anticipated for 2009–2010, as families were expected to defer savings for education in order to cope with more immediate financial pressures. However, participation in CESP incentives was higher than expected and increased slightly over the previous year.	
Percentage of eligible children from low-income families who have ever received a Canada Learning Bond **Source:** Administrative data **Note:** For this indicator, low-income families are defined as families who are eligible to receive the National Child Benefit Supplement.	**18.5%** 2009 result: 19.3% **MET**	Historical results: 2008: 16.3% 2007: 11.8% 2006: 4.7% 2005: 0.2%
	The target for Canada Learning Bond participation was met, as more families became aware of it and applied. The Canada Learning Bond was first offered in 2005.	

Expected Result Families use RESP savings for their children's Post-Secondary Education

Performance Summary 2009–2010

Performance Indicators	Targets, Performance Status, Historical Results	
Total amount withdrawn from RESPs in the 2009 calendar year to pay for post-secondary education **Source:** Administrative data	**$1.5 billion** 2009 result: $1.6 billion **EXCEEDED**	Historical results: 2008: $1.5 billion 2007: $1.32 billion 2006: $1.09 billion 2005: $840 million 2004: $639 million
	The target for the total amount withdrawn from RESPs in 2009 was exceeded slightly. A total of 251,159 students used RESPs in 2009 to help pay for their post-secondary education, compared to 228,794 in 2008. There was a slight decrease of 1.6% in the average RESP withdrawal ($6,370 in 2009 versus $6,474 in 2008), which may be related to declines in the value of some RESP investments due to the economic downturn.	

Expected Result Canadians repay federal student loans, using debt-management measures as needed

Performance Summary 2009–2010

Performance Indicators	Targets, Performance Status, Historical Results	
Three-year cohort default rate for the 2006–2007 repayment cohort (by dollar value) **Source:** Administrative data **Note:** The three-year cohort default rate refers to the percentage of student loans that entered repayment in 2006–2007 and defaulted within three years (by the end of 2009–2010). This calculation is based on methodology used by the Office of the Chief Actuary.	**17%** 2006–2007 cohort: 16% **MET**	Historical results (based on loan year[1]): 2005–2006 cohort: 17% 2004–2005 cohort: 19% 2003–2004 cohort: 28% 2002–2003 cohort: 26%* 2001–2002 cohort: 26%* *The figures for the 2001–2002 and 2002–2003 cohorts represent a combined default rate for direct, risk-shared and guaranteed loans.

Despite the economic downturn in 2009, HRSDC was able to maintain a relatively low level of default by frequently communicating with borrowers and implementing the Repayment Assistance Plan, which makes it easier for student loan borrowers to restructure their debt.

[1] For the Canada Student Loans Program, the loan year begins August 1st and ends July 31st this allows for reporting consistent with typical periods of study that run from September to June each year.

Expected Result Canadians with demonstrated financial needs use federal student loans to participate in post-secondary education

Performance Summary 2009–2010

Performance Indicators	Targets, Performance Status, Historical Results	
Number of new Canada Student Loans issued to full-time students **Source:** Administrative data	**350,000** 2009–2010 result: 398,000 **EXCEEDED**	Historical results (based on loan year): 2008–2009: 365,363 2007–2008: 352,708 2006–2007: 343,261 2005–2006: 343,638 2004–2005: 337,256
	The target of 350,000 students was established based on the projections of the student population made by the Office of the Chief Actuary. In the 2009–2010 loan year, HRSDC provided $2.07 billion in loans to 398,000 full-time students. The higher number of borrowers and the higher value of the loans disbursed may be attributable to greater demand for student loans brought on by the economic downturn and an increase in applications due to the new Canada Student Grants program. (Students may use one application form to apply for both programs.)	
Number of full-time students who receive a Canada Student Grant (CSG) **Source:** Administrative data	**245,000** 2009–2010 result: 286,325 **EXCEEDED**	Historical results: N/A (first year of program)
	The 2009–2010 loan year was the first year of operation for the Canada Student Grants Program. HRSDC issued approximately $468 million in Canada Student Grants to more than 286,000 full-time students, including approximately 30,000 full-time students who received multiple Canada Student Grants. An additional 3,514 part-time students also received Canada Student Grants, for a total of $3.8 million. The higher-than-projected result is likely due to increased need brought on by the economic downturn.	

Performance Analysis

Canadians have the skills and credentials to succeed in the labour market

Canada has one of the most educated workforces in the world, thanks in part to the support of HRSDC's programs. Once again, the Organisation for Economic Co-operation and Development (OECD) found that Canada placed first overall among OECD countries for the percentage of its population with post-secondary credentials (see Table 1).[2] The percentage of Canadians in the labour force (age 25–64) who had obtained a post-secondary credential reached 65% in 2009.

Table 1 Post-Secondary Education Attainment Rates (Among those aged 25–64)

	Canadian Population		Canada's Ranking Among OECD Countries for 2007
	2009	2007	
Trades certificate or diploma	11.9%	12%	1st
College or university (below bachelor)	24.1%	24%	1st
Bachelor's degree	17.4%		4th (tied with four other countries)
	25%		
Graduate degree	8.0%		
Total	**61.4%**	**61%**	**1st overall**

The 2008 Access and Support to Education and Training Survey found that 40% of respondents aged 18–24 who had attained a post-secondary credential had used federal student loans or withdrawals from RESPs to help finance their post-secondary education. Within this group, 31% had used a federal loan and 11% used withdrawals from their RESPs,[3] which shows that both the CSLP and the CESP contribute to helping Canadians obtain post-secondary credentials.

Canadians are able to finance their participation in post-secondary education

Canadians continue to rely on HRSDC's programs and services to help them save for and finance their participation in post-secondary education. In 2009–2010, the Department helped 46%[4] of full-time post-secondary students in participating provinces and territories[5] finance their post-secondary education with loans, grants or in-study interest subsidies, while 13%[6] of full- and part-time post-secondary students (8.6% in 2005) withdrew funds from their RESPs to help them finance their post-secondary education.[7] In 2009, this represents more than 251,000 students withdrawing $1.6 billion from their RESPs. Furthermore, the percentage of Canadians participating in post-secondary education continued to increase. For example, 39.2% of Canadians aged 17–21 participated in post-secondary education in 2009, compared to 37.8% in 2005 and 30.4% in 1990.

Overall, in 2009–2010, 490,000 full-time post-secondary students in participating provinces and territories benefited from the CSLP and the CSGP. Under these programs, HRSDC invested $2.07 billion in student loans, $179 million in subsidies to cover interest for borrowers who are still in school, and $533 million in grants to students facing financial difficulties.[8]

This was the first year of operation for the CSGP. The introduction of the new grants was well timed, as students faced the prospect of decreased financial resources due to the economic downturn. See the Performance Summary section (page 37) for further details.

As of January 1, 2010, HRSDC has taken over responsibility for administering the remaining payments of Millennium Excellence Awards from the Canadian Millennium Scholarship Foundation, and it will continue to administer these payments until December 31, 2013.

---

2 See *Education at a Glance 2009* at www.oecd.org.

3 These numbers are not mutually exclusive, as the same person may have both withdrawn funds from an RESP and received a federal loan. For more information about the Access and Support to Education and Training Survey, see www.statcan.gc.ca/pub/81-595-m/81-595-m2009079-eng.htm.

4 This percentage is based on the number of full-time students forecasted by the Office of the Chief Actuary for the Canada Student Loans Program (1,059,000) and does not include Quebec, the Northwest Territories or Nunavut, as these jurisdictions do not participate in the CSLP.

5 Quebec, the Northwest Territories and Nunavut do not participate in the CSLP but do receive alternative payments.

6 This percentage is based on the number of full-time and part-time students participating in post-secondary education according to the Labour Force Survey (1,949,390).

7 These two percentages are not mutually exclusive, as the same person may have both received a loan, grant or in-study interest subsidy and withdrawn funds from an RESP.

8 $533 million in grants includes the new Canada Student Grants as well as Canada Access Grants, Canada Study Grants and Canadian Millennium Scholarship Foundation transitional grants.

From January 1 to March 31, 2010, HRSDC disbursed 24 Millennium Excellence Award payments for a total of $156,375.

Canadians, including those from under-represented groups, participate equitably in post-secondary education

Canada has a highly educated population, in part because the student financial assistance and post-secondary education savings incentives HRSDC provides help to reduce financial barriers for lower-income families and other traditionally under-represented groups. However, although access to post-secondary education by such groups is improving, several groups are still under-represented. For example, the 2008 Access and Support to Education and Training Survey found that 9.8% of Canadians aged 18–64 with a disability had participated in post-secondary education, compared to 16.5% of Canadians without a disability in the same age group. Furthermore, in 2007, 52.2% of Canadians aged 16 and over without a disability had a post-secondary credential, compared to only 41.6% of those with a disability.

Student loan borrowers repay their student loans

The Repayment Assistance Plan, also launched in 2009, helped maintain the default rate at a lower level than expected (16% versus the forecast 17%) by making it easier for borrowers to avoid default by restructuring their student loan payments to fit their financial circumstances.

Children under 18 have savings for post-secondary education in RESPs

Canadians are increasing their use of the savings incentives offered by the CESP. As of December 2009, 40.6% of eligible children under 18 years of age had RESP savings to help them finance their future participation in post-secondary education, compared to 32.4% in 2005. Moreover, Canadians contributed $3.13 billion to RESPs in 2009 ($2.46 billion in 2005), despite the economic downturn, although the growth rate for RESP contributions slowed to 1%, compared to an average of 8% per year before 2008. Families are also contributing to RESPs earlier in their children's lives than in previous years. In 1998, before the CESP was launched, the average age of a child with an RESP was eight years of age. By the end of 2009, the average was 3.6 years of age (4.8 in 2005), allowing more time for the savings to grow before they are withdrawn to pay for education.

Uptake of the Canada Learning Bond, which was launched in 2005 and is designed to help low-income families save for education using RESPs, increased to over 19% of the eligible population in 2009, from 16.3% in 2008. This increase can be partly attributed to HRSDC's outreach strategy to inform eligible Canadians that they are entitled to access these benefits, as well as to an increase in the number of children eligible to receive the Bond, following the extension of the National Child Benefit supplement to a greater number of families.

The 2008 Access and Support to Education and Training Survey provided evidence that an increasing number of parents are saving for their children's post-secondary education and are using RESPs to do so. The survey found that 68% of children (aged 0–17) had savings for post-secondary education (52% in 2002 and 43% in 1999). Among those with savings, 69% had used RESPs (55% in 2002 and 42% in 1999). As expected, the survey also found that the proportion of children with post-secondary education savings increased with the level of parental income, as shown in Table 2.

Table 2 Children with Savings for Post-Secondary Education by Family Income

Percent of Children with Savings	Family Income
82.5%	More than $100,000
71.2%	$75,000–100,000
64.2%	$50,000–75,000
53.6%	$25,000–50,000
42.3%	Less than $25,000

Canadians make better-informed choices about post-secondary education funding

The Access and Support to Education and Training Survey also found that 79.4% of parents with children were aware of the Canada Education Savings Program; however, the *Formative Evaluation of the Additional Canada Education Savings Grant and Canada Learning Bond* found a lower level of awareness regarding these two incentives, which are targeted at low-income families.

Canadian institutions offer students opportunities to gain international skills

The International Academic Mobility initiative supported 48 projects involving 111 Canadian partners and a similar number of international partners, helping 350 students participate in international learning activities. In 2009–2010, 87% of clients who responded reported that their International Academic Mobility educational experience met or exceeded their expectations, and 89% said they had acquired skills to a greater degree than they would have if they had not participated.

Plans and Achievements for 2009–2010

Improve support for low- and middle-income students by launching the Canada Student Grants Program by August 2009

HRSDC launched a series of new grants for low- and middle-income students in 2009–2010. The new Canada Student Grants Program offers more predictable funding to students than previous programs: grant amounts are defined clearly, grants are disbursed evenly at the beginning of the fall and winter semesters, and the grants are available to eligible students for their entire undergraduate post-secondary education. By offering more predictable funding, this program makes it easier for students to plan for their post-secondary education expenses.

Implement the Repayment Assistance Plan by August 2009 to help borrowers facing difficulties in repaying their loans

HRSDC successfully implemented the new Repayment Assistance Plan in collaboration with provinces and territories. Effective August 1, 2009, this new plan provides more comprehensive, graduated support for student borrowers experiencing difficulty in repayment. In addition, special provisions were also implemented to provide targeted support for borrowers with permanent disabilities who are experiencing difficulties in repaying their student loans.

Provide additional support for Canada Student Loans Program service delivery to maintain service standards

Due to the increased demand for this program during the 2009–2010 fiscal year, internal resources were reallocated to ensure that service standards were maintained and, where possible, improved. The Department achieved the following results:

- 100% of funds were distributed to students and educational institutions within two days (federal portion) and four days (provincial portion) of the date when complete and accurate student loan documentation was received (100% in 2008–2009).
- 100% of disbursements were error-free, based on the top five pre-identified reasons for disbursement errors (100% in 2008–2009).
- 83% of inbound telephone calls were answered within 20 seconds (83% in 2008–2009).
- 77% of clients were satisfied with the overall quality of service provided by the CSLP, a slight increase over the 74–75% result achieved over each of the last four years.

Provide clients with better online services, a streamlined and simplified application processes, and better co-ordinated communication by implementing the Service Delivery Vision initiatives

HRSDC worked with provincial and territorial partners to continue implementing the Service Delivery Vision for Student Financial Assistance initiatives. In January 2010, the provinces and territories identified three priority initiatives for the short term, including: developing an electronic confirmation of enrolment solution based on a national portal; setting up master student financial aid agreements with British Columbia and Ontario for 2011–2012; and developing a single online application for repayment assistance measures. Given the multi-year schedule for implementing the Service Delivery Vision, HRSDC met its objectives for 2009–2010.

Lessons Learned

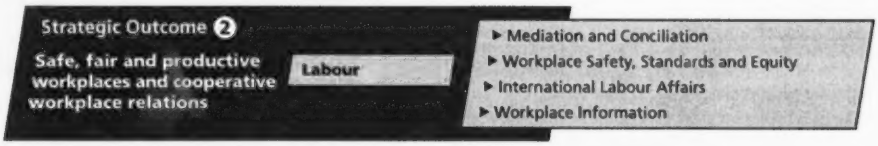
The *Formative Evaluation of the Additional Canada Education Savings Grant and Canada Learning Bond* points to lower awareness of these two incentives, which are targeted at low-income families. These findings provide a deeper understanding of savings behaviour and help explain why special incentives targeted at low-income families take longer to implement. In response, HRSDC is taking steps to increase awareness and participation by sending

targeted mail-outs and continuing to work with non-governmental organizations to address these barriers.

Through projects funded under the Education Savings Community Outreach initiative, HRSDC learned about barriers to opening RESPs and accessing the Canada Learning Bond. Anecdotal evidence from the project organizations identified common themes based on interactions with clients: lower financial literacy levels among the target populations, difficulty providing the documents necessary to open an RESP (e.g. Social Insurance Numbers and birth certificates), family attitudes toward post-secondary education and its importance, and the fees charged by financial institutions for administering RESPs. Although participation is increasing and has exceeded annual targets, HRSDC is implementing outreach plans to increase awareness so that more Canadians participate in the program and benefit from the funding available to help them save for children's post-secondary education.

HRSDC also recognized a growing body of research that found that providing students with information at select points during the life of their student loans may help them manage their finances related to their post-secondary education more effectively, and that a lack of awareness of the costs and benefits of post-secondary education discourages some Canadians from participating. As a result, HRSDC developed online entrance and exit counselling information sessions for student loan borrowers. These sessions were designed to help improve students' and parents' financial literacy regarding post-secondary education.

2.2 Strategic Outcome ❷


Strategic Outcome ❷
Safe, fair and productive workplaces and cooperative workplace relations
Labour
▸ Mediation and Conciliation
▸ Workplace Safety, Standards and Equity
▸ International Labour Affairs
▸ Workplace Information

2.2.1 Program Activity: Labour

Priorities

Help Canadian workers and employers to maintain workplace safety, fairness, productivity and cooperation throughout the economic downturn by providing relevant and timely services and support

Benefits to Canadians

The workplace is where Canada's wealth is generated and where many Canadians spend a significant portion of their day. Ensuring that workplaces are safe, fair and productive and that workplace relations are cooperative is important to the well-being of Canadians, the success of business and the performance of the country's economy. For workers, quality of life is improved when they can enjoy a safe workplace where they are treated fairly and have the right to voice concerns and resolve disagreements with employers. For businesses, having clear ground rules for labour standards and employer-employee relations contributes to an improved bottom line.

This program activity is directly responsible for federally regulated workplaces in a number of strategically important sectors of the economy, including banking; telecommunications; broadcasting; air, interprovincial rail, road and pipeline transportation; shipping; uranium mining; grain handling; and Crown corporations. These industries cover approximately 46,000 workplaces and 1.1 million employees, accounting for approximately 8.5 % of the Canadian labour force.

To promote cooperation and fairness in these sectors, the Labour Program provides mediation and conciliation services to assist employers and unions in settling disputes; appoints arbitrators, adjudicators and referees to resolve specific disputes between employers and employees; offers a comprehensive and innovative Preventive Mediation Program to assist employers and unions in building effective labour management relations; provides grievance mediation to assist labour and management in reaching voluntary settlement of grievances as a low-cost alternative to arbitration; and fosters cooperation through its Labour Management Partnerships Program.

Through a coast-to-coast network of regional offices, the Labour Program ensures that federally-regulated workplaces are safe and fair by working with employers and employees to ensure that laws governing occupational health and safety, labour standards and employment equity are respected. The Labour Program is also responsible for the federal workers' compensation system, the Wage Earner Protection Program and national fire protection services in federally owned or leased buildings and in major public band buildings in First Nations communities.

The workplace is changing rapidly, and Labour Program activities are helping Canadians to adjust and thrive amidst the uncertainties of the global marketplace. This is done by conducting research about emerging issues such as work-life balance and by tracking and providing a wide range of information about labour relations and workplace trends in Canada, including developments in federal, provincial and territorial labour laws.

Finally, to enhance working conditions and ensure healthy and fair workplaces for all Canadians, the Labour Program works closely with provincial and territorial governments, First Nations communities, and a range of international partners. Domestically, this entails forging partnerships and engaging in joint projects. On the international stage, the Labour Program leads the preparation and implementation of labour cooperation agreements, which are part of each

free trade agreement and protect Canadian companies and workers from foreign competitors who may be tempted to gain unfair advantages by ignoring basic labour standards. The Labour Program also represents Canada in multilateral forums where labour matters are discussed, such as the International Labour Organization, and negotiates international labour standards that advance Canadian interests and fundamental values abroad.

Program Activity Labour

Financial Resources (millions of dollars) and Human Resources (Full-Time Equivalents)

2009–2010			2009–2010		
Planned Spending	Total Authorities	Actual Spending	Planned	Actual	Difference
271.2	270.8	268.5	726	720	6

Note: Financial and human resources amounts for this program activity include resources related to initiatives under *Canada's Economic Action Plan*.
See page 29 for details by initiative.

Expected Result Collective bargaining disputes are resolved without a work stoppage

Performance Summary 2009–2010

Performance Indicators	Targets, Performance Status, Historical Results	
Percentage of collective bargaining disputes settled under Part I (Industrial Relations) of the *Canada Labour Code* without a work stoppage **Source:** Administrative data	**90%** 2009–2010 result: 94% **MET**	Historical results: 2008–2009: 94% 2007–2008: 93% 2006–2007: 97% 2005–2006: 97% 2004–2005: 90%
	In 2009–2010, 94% of approximately 200 collective bargaining disputes were settled without a work stoppage.	

Expected Result Employers and employees in targeted higher risk industries are working cooperatively to ensure safe and healthy workplaces

Performance Summary 2009–2010

Performance Indicators	Targets, Performance Status, Historical Results	
Percentage change, year over year, in the rate of lost-time injuries and fatalities within the targeted higher-risk federal jurisdiction industries **Source:** Administrative data	**Decrease of 15%** 2005–2009 results: Available in 2011 The results for the five year period from 2005–2009 will not be available until June 2011. The results will be reported in the 2010–2011 Departmental Performance Report.	Historical results: 2001–2005: decrease of 20.5%

The Disabling Injury Incidence Rate is measured over a fixed five year period, as it can fluctuate from year to year. The percentage rate was exceeded for the targeted industries for the period from 2001 to 2005, with a decrease of 20.5%. The national targeted industries included: air transport — off-board; road transport; feed, flour, and seed; longshoring; rail transport — off-board; water transport — off-board; and grain elevators.

Expected Result Employees and employers resolve complaints of unjust dismissal

Performance Summary 2009–2010

Performance Indicators	Targets, Performance Status, Historical Results	
Percentage of unjust dismissal complaints settled by inspectors (Part II of the *Canada Labour Code*) **Source:** Administrative data	**75%** 2009–2010 result: 71% **MOSTLY MET**	Historical results: 2008–2009: 73% 2007–2008: 76% 2006–2007: 74% 2005–2006: 74% 2004–2005: 71%

Over the past six years, between 71% and 76% of all unjust dismissal cases were settled, while the number of cases completed remained approximately the same. Participating in dispute resolution with respect to unjust dismissals is not mandatory, and successful resolution is dependent upon a variety of factors, not all of which are within the control of Labour Program inspectors.

Performance Analysis

Overall, this Program Activity met its performance measurement targets for 2009–2010. Specifically, under labour policy and legislation, a comprehensive strategy is in place to help ensure that the Labour Program is able to monitor developments in the environment and bring forward appropriate policy responses. A joint strategy with the provinces and territories for international labour issues has been established and is being actively pursued. In the area of service delivery, efforts are being made to increase proactive intervention in the context of compliance activities, and a wide-ranging service modernization strategy is being developed. Strategies are also in place to modernize the Labour Program's information technology infrastructure, as well as to establish a more rigorous, results-based approach to measuring and improving performance.

One of the strategic goals of the Labour program activity is to promote harmonious union-management relations and thereby minimize the number of work stoppages that disrupt the Canadian economy. To measure the effectiveness of its services, the Labour Program tracks the percentage of collective bargaining disputes settled without a work stoppage, with a target of 90%. This target has been consistently achieved or exceeded over the past ten years, with the exception of 2004, when the settlement rate was 89%. In 2009–2010, 94% of all disputes were settled without a work stoppage. As part of the Preventive Mediation Program, the Department offered approximately 50 workshops designed to help employers and unions build and maintain constructive working relationships. In addition, 13 group terminations affecting 4,258 employees across Canada were successfully investigated. The Labour Program helped ensure that employers provided redundant employees with measures to minimize the effects of the group termination, including helping the employees obtain other employment.

The Disabling Injury Incidence Rate (DIIR) is measured over a fixed five-year period, as it can fluctuate from year to year due to incidents that result in multiple injuries or fatalities. For the period from 2001 to 2005, the first five year period during which this measure was used, the Occupational Health and Safety program set its target to reduce the DIIR by 10% in all federal jurisdiction industries, including industries rated as high-risk. The reduction in those high-risk industries was 20.5%. For the period from 2005 to 2009, the target for high-risk industries is a reduction of 15%. Results for this five-year period will be available in June 2011.

Under the *Canada Labour Code*, an employee who has completed at least 12 consecutive months of continuous employment with the same employer and who is not covered by a collective agreement is protected from unjust dismissal. If a settlement agreement between the parties cannot be reached within a reasonable timeframe, the complainant may request that the Minister of Labour appoint an adjudicator to hear the case. The Labour Program has set a target of having 75% of all unjust dismissal complaints be settled through the efforts of its inspectors prior to being referred to adjudication. The percentage of unjust dismissal complaints settled by inspectors has between 71% and 76% over the past six years, while the number of cases remained approximately the same. Participating in dispute resolution with respect to unjust dismissals is not mandatory, and resolving a complaint is dependent upon the willingness of both parties to find a solution to the dispute.

Plans and Achievements for 2009 – 2010

Deliver core programs that foster safety, fairness and productivity in workplaces under exclusive federal jurisdiction, and ensure that those programs are responsive to the economic challenges facing Canadian employers and workers by:

1) **ensuring the effective and efficient delivery of services in the areas of occupational health and safety, employment standards, injury compensation, and fire safety, in part through the implementation of modern, targeted compliance strategies**

   The Labour Program finalized the development of the Intervention Model, which is used by health and safety officers when enforcing Part II (Occupational Health and Safety) of the *Canada Labour Code*. This model provides a structured approach to identifying workplaces with high levels of injuries or noncompliance and provides a uniform and comprehensive strategy to reduce these levels. The expected result is less day-to-day intervention by the regulator. In 2009–2010, the Intervention Model was initiated 133 times.

2) **maintaining programs that support the full and equal participation of all Canadians at work, including the Legislated Employment Equity Program, the Federal Contractors Program for Employment Equity, the Racism-Free Workplace Strategy and pay equity**

The Department increased the number of compliance reviews conducted under the Federal Contractors Program to 100 from approximately 80 in the previous year. Similar to previous years, training was provided to more than 500 participants from employers who fall under the Legislated Employment Equity Program and the Federal Contractors Program, as well as public sector employers.

In addition, the Department provided 52 workshops to employers across Canada in partnership with the Aboriginal Human Resource Council under the Racism-Free Workplace Strategy. The Labour Program also partnered with the National Film Board of Canada to produce five films about racism and with Statistics Canada to develop population projections for members of visible minorities. This will help Statistics Canada base their workforce representation figures on current workforce availability to reflect demographic changes within Canadian society more accurately.

Develop innovative strategies that respond to the short- and long-term challenges facing Canadian workplaces by:

1) **consulting with stakeholders on options for modernizing Part III (Labour Standards) of the *Canada Labour Code***

The Labour Program held consultations on the modernization of Part III between February and June 2009. These included online consultations, which produced 64 written submissions from individuals and organizations, and in-person discussions with key Labour Program stakeholders that covered a wide range of Part III issues of particular interest to stakeholders. Options for modernizing Part III (Labour Standards) of the *Canada Labour Code* are now being developed.

2) **assessing the recommendations presented in the report *Work Stoppages in the Federal Private Sector,* aimed at reducing the frequency and duration of strikes and lockouts in federally regulated industries**

The Department developed and delivered a new Post–Work Stoppage Workshop, which is intended to help parties move beyond confrontational behaviours and re-establish more positive industrial relations. In addition, options for further enhancing the Preventive Mediation Program were explored, and terms of reference were developed for the Minister's Advisory Council on Workplace and Labour Affairs, which will begin operations in fall 2010.

3) **developing options for presentation before the parliamentary committee charged with the examination of the *Employment Equity Act***

As part of the ongoing monitoring of progress and gaps related to designated group representation in the workplace, the Department conducted an analysis of workforce representation by employment equity group. This analysis will be used to assess progress with respect to the recommendations made during the last parliamentary review (2001). Federal departments with responsibilities for employment equity were consulted on an ongoing basis.

Although the mandate to conduct a review of the Act was twice referred by the House of Commons to the Standing Committee on Human Resources, Skills Development, Social Development and the Status of Persons with Disabilities, a review was never initiated by the Committee.

Advance Canadian interests and values in the negotiation and implementation of international labour standards and agreements by:

1) **pursuing the conclusion and implementation of labour cooperation agreements and cooperative frameworks with free-trade partners and emerging economic powers**

The Labour Program concluded successful activities under the *Canada-China Framework for Labour Cooperation on Labour Matters*, which was renewed for a three-year term. Activities focused on labour standards and industrial relations following China's adoption of its new Labour Contract Law and Labour Dispute Mediation and Arbitration Law.

In addition, the Department supported the coming into force of the *Canada-Peru Agreement on Labour Cooperation*, as well as the conclusion of successful labour cooperation agreement negotiations with Jordan. The negotiation of labour cooperation

agreements advances Canadian interests and fundamental values abroad and protects Canadian companies and workers from foreign competitors who may be tempted to gain unfair advantages by ignoring basic labour standards.

The Labour Program also implemented labour-related technical assistance programming designed to build the capacity of key partner countries (e.g. Peru, Colombia, Guatemala and Honduras) to administer their labour legislation and comply with internationally recognized core labour standards.

2) **strengthening cooperation between Canada, the United States and Mexico in the context of the *North American Agreement on Labour Cooperation***

At the 2009 North American Leaders' Summit, leaders reiterated their commitment to promoting respect for labour rights and mandated labour ministers to continue the dialogue to address the functioning of the North American Agreement on Labour Cooperation. In fulfilment of this commitment, the three countries (Canada, U.S.A. and Mexico) engaged in high-level dialogue, with a focus on improving the functioning of the *North American Agreement on Labour Cooperation* Secretariat, enhancing and refocusing trilateral cooperative activities, and modernizing the Agreement.

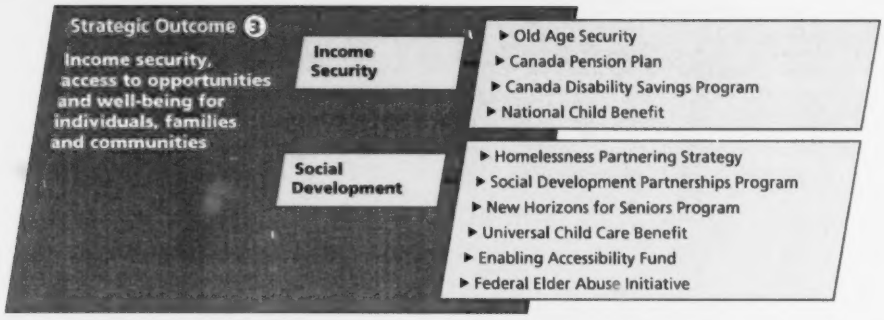
3) **providing leadership and promoting Canadian interests in international forums dealing with labour issues, including the International Labour Organization**

Canadian priorities were reflected in resolutions dealing with labour issues in the United Nations (UN) General Assembly and the UN Economic and Social Council, and in outcomes of the International Labour Conference discussions on HIV/AIDS and the world of work, gender equality, and the Global Jobs Pact. The Department also advanced International Labour Organization reform by playing a leadership role as Chair of the Industrialized Market Economy Group, as well as chairing the working groups on institutional and standards reform. In addition, the Labour Program continued to play a leadership role with respect to the *Declaration and Plan of Action of the XVI Inter-American Conference of Ministers of Labour* and as a working group vice-chair.

Lessons Learned

Two recent Federal Court decisions (*Canada v. Vandal* and *CUPE, Air Canada Component v. Air Canada*) have required the Labour Program to rescind a policy developed in 2007 related to the refusal to work provisions in Part II (Occupational Health and Safety) of the *Canada Labour Code*. This policy required health and safety officers investigating a refusal to work to first determine if an employee was refusing to perform work that was a "normal condition of employment." If so, the officer would discontinue the investigation without determining if the work posed a danger. In these cases, there was no prescribed process for an appeal against the officer's decision, and the employee could not continue to refuse to work and still be protected by the *Canada Labour Code* against disciplinary action. The policy was developed in an attempt to stem the large number of refusals to work being initiated by two to three employee groups who were allegedly using the provision to press for various policy changes in their own workplaces. The Federal Court ruled that health and safety officers investigating a refusal to work have a statutory duty to determine if a danger exists, and this determination is subject to the appeal provisions prescribed by the Code. An interim policy was immediately put in place while a review of Operations Program Directive 9051, "Response to a Refusal to Work in Case of Danger," is undertaken.

2.3 Strategic Outcome ❸


Strategic Outcome ❸
Income security, access to opportunities and well-being for individuals, families and communities
Income Security
▸ Old Age Security
▸ Canada Pension Plan
▸ Canada Disability Savings Program
▸ National Child Benefit
Social Development
▸ Homelessness Partnering Strategy
▸ Social Development Partnerships Program
▸ New Horizons for Seniors Program
▸ Universal Child Care Benefit
▸ Enabling Accessibility Fund
▸ Federal Elder Abuse Initiative

2.3.1 Program Activity: Income Security

Priority

Assist Canadians through targeted and modernized income security and social development measures for vulnerable populations (seniors, people with disabilities, homeless people and those at risk of becoming homeless, and communities)

Benefits to Canadians

Income security is essential to the quality of life and well-being of Canadians. This program activity provides eligible Canadians with retirement pensions, survivor pensions, disability benefits and benefits for children, through the Old Age Security (OAS) program and the Canada Pension Plan (CPP).

The Department undertakes national legislative development, policy direction, program design, research and analysis to ensure that the OAS and CPP programs remain responsive to the current and future needs of Canadians. This includes efforts to expand awareness and increase take-up of public retirement income entitlements, with a particular focus on vulnerable segments of the population who often experience barriers to receiving information and assistance through traditional government channels.

In addition, this Program Activity supports low-income families and their children through the National Child Benefit. Through this initiative, the federal government works in partnership with provincial and territorial governments to provide income support, as well as benefits and services.

Finally, this Program Activity includes the administration of the Canada Disability Savings Program (CDSP), which helps parents and others save for the long-term financial security of people with severe disabilities.

Program Activity Income Security

Financial Resources (millions of dollars) and Human Resources (Full-Time Equivalents)

2009–2010			2009–2010		
Planned Spending	Total Authorities	Actual Spending	Planned	Actual	Difference
66,011.9	65,210.5	65,199.8	582	352	230

Expected Result Eligible beneficiaries receive Canada Disability Savings Bonds and Grants

Performance Summary 2009–2010

Performance Indicators	Targets*, Performance Status, Historical Results	
Number of Registered Disability Savings Plans (RDSPs) receiving Canada Disability Savings Bond and the dollar value of these bonds **Source:** Administrative data	10,000 plans receive a cumulative $15 million by 2011–2012 18,000 plans receive a cumulative $45 million by 2013–2014 2009–2010 results: $42.9 million paid 16,601 plans received $15.7 million for 2010 bonds 16,931 plans received $16.0 million for 2009 bonds 11,662 plans received $11.2 million for 200 bonds **EXCEEDED**	Historical results: N/A (new indicator)
Number of RDSPs receiving Canada Disability Savings Grant and the dollar value of these grants **Source:** Administrative data **Note:** Grants rely on contributions made to the plan. Contributions are generally low at the beginning of the year but increase as the year progresses.	15 000 plans receive $30 million by 2011–2012 25 000 plans receive $80 million by 2013–2014 2009–2010 results: $83.9 million paid 6,213 plans received $10.4 million in grants (for contributions made between Jan. and March 2010) 15,997 plans received $42.9 million in grants (for contributions made in 2009) 11,281 plans received $30.6 million in grants (for contributions made in 2008) **EXCEEDED**	Historical results: N/A (new indicator)

*Targets were based on the experience of programs, including the Canada Education Savings Grant and the Canada Learning Bond. Targets for cumulative grant and bond payments were based on Canada Revenue Agency data on Canadians eligible for the Disability Tax Credit in the target age range (0–49). When the targets were developed, not all provinces and territories had announced their intentions with respect to RDSP asset and income exemptions. The assumption at the time was that this could delay full take-up of the program. At present, all provinces and territories have announced a full or partial exemption of RDSP income and assets. The number of major financial organizations offering the RDSP has also likely contributed to take-up by providing greater access to issuers and increasing promotion.

In addition, the CDSP team implemented a diverse and comprehensive outreach strategy to increase awareness and promote take-up. Activities under this strategy included contracts with organizations to deliver information sessions, face-to-face meetings with organizations, two national print and radio advertising campaigns, a 1 800 O-Canada toll-free number and the development of a website.

Note: Not all plans will attract a grant or a bond, and both are based on a calendar year (January to December). Therefore, during one fiscal year, there could be more than one grant or bond payment into a single plan.

Expected Result Social and economic inclusion of Canada Pension Plan (CPP) contributors and their families in Canadian society

Performance Summary 2009–2010

Performance Indicators	Targets, Performance Status, Historical Results	
Percentage of income derived from CPP program **Source:** Statistics Canada	**Replaces 25% of average career earnings** 2009–2010 results: 18.4% **SOMEWHAT MET**	Historical results: 2008–2009: 19.1%

The target was only somewhat met because some CPP contributors do not maximize their contributions throughout their working life, thereby reducing the amount of their CPP retirement pension.

The *Economic Recovery Act*, which received Royal Assent on December 15, 2009, contains a provision that will change the CPP benefit calculation to allow up to one additional year of low earnings during a person's career without this period reducing the benefit payment. In addition, starting in 2012, older workers receiving a CPP retirement pension will be able to contribute to the Plan and accrue additional post-retirement benefits.

Expected Result CPP contributors have a measure of protection against loss of employment income due to severe and prolonged disability

Performance Summary 2009–2010

Performance Indicators	Targets, Performance Status, Historical Results	
Percentage of CPP contributors who have contributory coverage/ eligibility for CPP Disability (CPPD) **Source:** Office of the Superintendent of Financial Institutions	**70% of men** **63% of women** 2008 results: In order to produce accurate information, a lag of two years is required before releasing statistics. CPPD coverage data for 2008 was not available in time to be included in this DPR.	Historical results: 2007: 69% of men and 64% of women 2006: 69% of men and 64% of women **Note:** Due to recent methodological changes by the Office of the Superintendent of Financial Institutions, the CPPD coverage rates for men and women have been revised downward for 2007 and 2006.

Contributors to the Canada Pension Plan are eligible for CPP-D notwithstanding the medical determination of eligibility, if they have contributed to the Plan in 4 of the last 6 years. Effective March 3, 2008, contributors who have 25 years or more of contributory coverage are eligible for CPP-D if they have contributed in 3 of the last 6 years. In 2006 and 2007, contributory eligibility for women continued to lag behind that of men by 5% due to less consistent labour force participation by women within the six year period.

Expected Result Eligible seniors receive a lifetime benefit in recognition of their contribution to Canadian society

Performance Summary 2009–2010

Performance Indicators	Targets, Performance Status, Historical Results	
Percentage of eligible seniors who receive the OAS pension **Source:** Administrative data	**96%** 2009–2010 results: 96.3% **MET**	Historical results: N/A

OAS applications are sent to Canadians at age 64 to encourage them to apply for the OAS pension and the Guaranteed Income Supplement (GIS) well in advance of their eligibility date. The Department also undertook outreach initiatives through partnerships with third parties, such as non-profit organizations, other government organizations and service providers, to raise awareness and take-up of OAS benefits.

Performance Analysis

The Department continued to contribute to a stable income for millions of Canadians by administering Canada's national pension programs. Performance indicators show that, in the absence of these pension programs, the incidence of low family income[9] among seniors would be almost 46%. However, with these pension programs, the actual incidence of low income among seniors was less than 5% in 2007. In 2009–2010, CPP and OAS benefits paid to individuals and families totalled $65.0 billion (up from $62.4 billion in 2008–2009 and $59.5 billion in 2007–2008).

In 2009–2010, over 3.7 million individuals received the CPP retirement pension, for a total of $22.2 billion in retirement benefit payments. This represented an increase from 2008–2009, when approximately 3.6 million individuals received the benefit, for a total of $21.1 billion in benefit payments. Furthermore, approximately 4.7 million individuals received the basic OAS pension in 2009–2010, for a total of $26.4 billion in benefit payments, compared to approximately 4.6 million individuals and $25.3 billion in 2008–2009. To address the vulnerability of low-income seniors and to contribute to a stable retirement income, approximately 1.6 million individuals received $7.7 billion in GIS benefit payments, an increase from 2008–2009, when GIS benefits totalling $7.5 billion were paid to 1.6 million individuals.

The CPPD program remains Canada's largest long-term disability insurance plan and is an important source of income replacement for eligible CPP contributors who cannot work due to severe and prolonged disability. It paid monthly benefits totalling $3.5 billion to over 317,399 eligible contributors, compared to 313,035 individuals who received benefits totalling $3.3 billion in 2008–2009. HRSDC is working with experts and partners to define a transformation strategy to establish a client-centred approach for CPPD services and programs and to develop options for new business models for CPPD, while championing the needs of people with disabilities.

HRSDC continued to deliver the recently implemented Canada Disability Savings Program (CDSP) to help eligible people with severe and prolonged disabilities, their families, and others save for long-term financial security through Registered Disability Savings Plans (RDSPs). Outreach activities to raise awareness of the Canada Disability Savings Grant and Bond were successfully conducted; they included contracts with organizations to deliver information sessions and provide one-on-one assistance, a national print and radio advertising campaign, and presentations at six non-governmental organization and practitioner conferences. Aided by these activities, 27,958 RDSPs were registered between December 2008 (when the CDSP became available to Canadians) and the end of

[9] Based on Statistics Canada's Low-Income Cut-Off (LICO) which estimates the threshold at which families spend 20% more of their income on necessities than the average family. The exact income cut-off varies by family size and size of the population centre where they reside. See: **http://www.statcan.gc.ca/pub/75f0002m/2010005/tbl/tbl01-eng.htm**

March 2010. During the same period, the Government of Canada contributed $83.9 million in matching grants and $42.9 million in bonds, far exceeding the original projections of $30.0 million for grants and $15.0 million for bonds.

Plans and Achievements for 2009–2010

Strengthen overall accountability within Canada's public pensions by completing the implementation of legislative changes to OAS and CPP, related to penalties, interest, information sharing and e-services

Bill C-36 (*Act to amend the Canada Pension Plan and the Old Age Security Act*) regulations, recently in force, expanded the group of third parties with whom CPP and OAS information can be shared upon written request of the client. The penalty provisions of Bill C-36 also came into force on April 1, 2010, and the appropriate policy frameworks have been developed to ensure seamless implementation. Regulations pertaining to the charging of interest on overpayments subject to an administrative penalty will come into force in April 2011. Additionally, ongoing efforts are being made to ensure a more client-centred program delivery approach to respond to the changing needs of Canadians.

Identify and assess policy options in the context of the 2007–2009 CPP triennial review by working with the Department of Finance to ensure that the CPP meets the current and future needs of contributors and eligible beneficiaries

HRSDC participated in the federal-provincial-territorial CPP triennial review, with an objective to amend the CPP and CPPD to better support work-to-retirement transitions. This process supported the drafting of relevant sections of the *Economic Recovery Act*. Once approved by provincial and federal orders in council, this Act, which received Royal Assent in December 2009, will result in increased flexibility in how Canadians live, work, and retire.

Assist families in planning for the long-term financial security of people with severe disabilities by implementing and administering the CDSP

Budget 2010 announced improvements to the RDSP and the Grant and Bond, resulting in two significant policy milestones. The first is a Registered Retirement Savings Plan (RRSP) / Registered Retirement Income Fund (RRIF) roll-over, whereby a deceased individual's RRSP or RRIF proceeds may be transferred to the RDSP of a financially dependent child or grandchild with a disability. The second is a 10-year carry-forward of grant and bond entitlements, as families of children with disabilities may not be able to contribute regularly to their RDSPs.

With respect to the transaction system, an automated granting system is being developed using a phased-in approach. Key milestones for 2009–2010 were met with the implementation of the batch processing system, including contract registration and grant and bond payments effective December 2008. The next phase included batch processing updates to contract, beneficiary, and holder information in September 2009.

Lessons learned

Strengthening the Canada Pension Plan

In addition to remaining sustainable, the CPP must continue to meet the changing needs of Canada's diverse and aging population, and its ever-evolving labour market. Canadians are living longer and healthier lives, creating greater opportunities for employment later in life. With these factors in mind, the 2007–2009 CPP triennial review recommended amendments to the CPP that would enhance flexibility and support both older and younger workers in an equitable and affordable way. Recognizing that retirement is often a process that occurs in phases rather than as a one-time event, the amendments were designed to better reflect how Canadians are choosing to live, work and retire.

These amendments, negotiated with the provinces and territories, were included in the *Economic Recovery Act* which received Royal Assent on December 15, 2009. Key amendments include:

- re-balancing pension adjustments for early and late retirees to respond to economic and demographic changes and to keep the CPP fair and sustainable.

These adjustments will be phased in and will make the CPP neutral so that workers will be neither financially encouraged to retire early nor discouraged from retiring later—the first update of actuarial factors since early retirement was introduced to the CPP in 1987;

- allowing retirement pension applicants to receive their CPP pension while continuing to work;
- allowing working beneficiaries to continue to build secure CPP retirements through mandatory contributions between the ages of 60 and 65 and voluntary contributions until age 70; and
- increasing the general low-earnings drop-out provision, which will enhance the average retirement, survivor and disability benefit of virtually all contributors.

2.3.2 Program Activity: Social Development

Benefits to Canadians

HRSDC seeks to increase participation of Canadians in society by helping citizens, communities, the not-for-profit sector and others move forward with their own solutions to social and economic challenges. This is accomplished through investments in the capacity of organizations that reduce barriers and promote access to opportunities for these groups. The Social Development program activity focuses on programs for children, families, seniors, communities and people with disabilities, as well as on preventing and reducing homelessness.

Through the New Horizons for Seniors Program (NHSP), the Department helps to ensure that seniors can benefit from and contribute to their communities through active living and participation in social activities. By providing funding to non-profit and other organizations, the NHSP enables seniors to share their skills and experiences with others, helps to reduce isolation, improves community facilities for seniors' programs and activities, and raises awareness of the abuse of older Canadians.

The Social Development Partnerships Program (SDPP) advances the social development and inclusion of children, families, people with disabilities and other vulnerable populations. Through investments in the not-for-profit sector, the SDPP helps improve the lives of Canadians.

The Enabling Accessibility Fund (EAF) provides funding to increase accessibility in communities and help all Canadians participate fully in their communities.

The Homelessness Partnering Strategy (HPS) works to prevent and reduce homelessness across Canada through strategic investments in communities. It uses a planning process that relies on communities to determine their own needs and develop appropriate projects to find local solutions for homeless people and those at risk of becoming homeless.

This Program Activity also includes the Universal Child Care Benefit (UCCB), which helps Canada's families balance work and family life by financially supporting their child care choices.

Program Activity Social Development

Financial Resources (millions of dollars) and Human Resources (Full-Time Equivalents)

2009–2010			2009–2010		
Planned Spending	Total Authorities	Actual Spending	Planned	Actual	Difference
2,769.0	2,851.4	2,796.8	580	525	55

Expected Result Strategic investments are made in supportive and transitional housing, shelters and services according to community plans and including property transfers

Performance Summary 2009–2010

Performance Indicators	Targets, Performance Status, Historical Results
Percentage of all Homelessness Partnering Strategy (HPS) investments in regionally delivered projects targeted to long-term stable housing and related services **Source:** Administrative data	**65%** 2009–2010 results: 74.3% **EXCEEDED** Historical results: 2008–2009: 78% 2007–2008: 73.9%

The Homelessness Partnering Strategy uses a "housing first" approach, which includes providing services together with longer-term supportive and transitional housing to homeless people and those at risk of becoming homeless. This approach recognizes that housing stability is a precondition for successful outcomes of other interventions, such as education and training, life skills development, and treatment for substance abuse or mental health challenges. A long-term target of at least 65% of funding directed towards long-term stable housing and related services was established when the program was renewed. Communities were advised of this new focus, its rationale and the national target, and were encouraged to select projects accordingly.

Expected Result Longer-term housing solutions, support, prevention services and shelters are being developed

Performance Summary 2009–2010

Performance Indicators	Targets, Performance Status, Historical Results
Amount invested in communities by external partners (not-for-profit groups, private sector organizations and other government departments) for every dollar invested by the Homelessness Partnering Strategy **Source:** Administrative data	**$1.50** 2009–2010 results: $2.27 **EXCEEDED** Historical results: 2008–2009: $2.99 2007–2008: $3.18 2006–2007: $1.89

Cost-matching and leveraging are key factors in the success of the Homelessness Partnering Strategy. HPS funds in designated community projects must be matched by community partners, and this non-HPS funding contributes to community "buy-in" and sustainability of projects. As part of its terms and conditions, HPS set a long-term target of projects raising at least $1.50 from other sources for every dollar invested by the HPS. Community partners included municipal and provincial/territorial governments, not-for-profit organizations and Crown corporations.

HPS designated communities are required to demonstrate cost-matching as a part of their contribution agreement. Under the shared delivery model, this occurs at the individual project level, whereas under the community entity delivery model, cost-matching takes place at the community level. This accounts for some annual variance in the amount raised. Community entity projects tend to have a higher value of cost-matching because the higher value of the contribution agreement encompasses the allocation for the entire community. The amount raised can therefore spike in years where community entity contribution agreements are signed (as was the case in 2007–2008).

Expected Result Individuals, families and community organizations move forward with their own solutions to advance the social development and inclusion of children, families, people with disabilities and other vulnerable Canadians

Performance Summary 2009–2010

Performance Indicators	Targets, Performance Status, Historical Results
Estimated number of individuals and families that have access to information, programs and services as a result of Social Development Partnerships Program (SDPP) funding **Source:** Administrative data	**1.2 million** 2009–2010 results: 1.1 million **MOSTLY MET** Historical results: N/A (new indicator)
	In 2009–2010, the Social Development Partnerships Program provided funding through 37 multi-year contribution agreements to national and community-based not-for-profit organizations. 2009–2010 results are calculated using a new methodology which aggregates estimated numbers of individuals and families for each individual project as provided by funding recipients.
Number of organizations funded through the Disability component of the SDPP **Source:** Administrative data **Note:** Organizations can receive funding under more than one stream.	**40** 2009–2010 results: 49 **EXCEEDED** Historical results: N/A (new indicator)
	In 2009-2010, funding was provided to: • 18 national disability organizations to increase their organizational capacity and effectiveness in addressing the social issues and barriers that people with disabilities face; • 14 organizations to promote the full participation of people with disabilities in all aspects of society and community life under the Community Inclusion Initiative of SDPP; • 9 accommodation projects to enable people with disabilities to fully participate in conferences and other similar events in 2009-10 by ensuring that they are accessible; and, • 16 projects under the call for proposals for social development projects, which focused on the development and promotion of best practices and models of service delivery.

Expected Result Families and communities make informed decisions that benefit the lives of young children

Performance Summary 2009–2010

Performance Indicators	Targets, Performance Status, Historical Results
Number of children and parents involved in Understanding the Early Years (UEY) community research activities **Source:** Administrative data	**20,000** 2009–2010 results: 19,511 **MET** Historical results: 2008–2009: 68,669
	Almost 20,000 kindergarten children and their parents were involved in data collection activities in 15 UEY communities in 2009–2010. The target and result shows a large variation from 2008–2009 levels due to a difference in the number of active projects. In 2008–2009, there were 36 active UEY projects, 21 of which ended in late 2008.

Expected Result Seniors are engaged within communities

Performance Summary 2009–2010

Performance Indicators	Targets, Performance Status, Historical Results	
Number of seniors involved in New Horizons for Seniors Program- funded projects (estimated) **Source:** Administrative data **Note:** In 2009-2010, the number of seniors involved in NHSP was greater than originally targeted because the methodology for this indicator was changed to include both participants in Community Participation and Leadership projects as well as the beneficiaries of organizations that received Capital Assistance funding support, which were not previously included.	**N/A (methodology for this indicator has changed since the original target was established)** 2009–2010 results: 270,000	Historical results: N/A (methodology used to measure results has changed, affecting the comparability of historical results)

A call for proposals was completed for the two NHSP funding streams: Capital Assistance, and Community Participation and Leadership. In total, the program issued 1,468 grants for a total of $24.4 million.

Expected Result Knowledge and awareness of elder abuse in Canadian society

Performance Summary 2009–2010

Performance Indicators	Targets, Performance Status, Historical Results	
Number of Federal Elder Abuse Initiative (FEAI) networks and partnerships **Source:** Administrative data	**11** 2009–2010 results: 13 **EXCEEDED**	Historical results: 2008–2009: 8

The FEAI supported a total of seven conferences, fireside chats, networks and advisory groups designed to bring together key stakeholders to share their expertise and experiences in the field of elder abuse prevention. An open call for proposals was designed and launched in July 2009. Six projects by not-for-profit organizations representing front-line professionals will commence in 2010–2011 to develop educational and awareness activities for their respective memberships in order to reduce the incidence of elder abuse.

Expected Result Social and economic participation for people with disabilities

Performance Summary 2009–2010

Performance Indicators	Targets, Performance Status, Historical Results	
Number of building/vehicle renovations and modifications by EAF-funded projects **Source:** Administrative data **Note:** The total number of small projects funded since 2008 is 335 (166 in 2008–2009 and 169 in 2009–2010), exceeding the original target of 280.	**280** (over three years, 2008–2011) 2009–2010 results: 169 approved projects (3 vehicle, 136 building and 24 communications/information/ media) **EXCEEDED**	Historical results: 2008–2009: 166 approved projects

There continued to be a high demand for program funds in 2009–2010. The second call for proposals for small projects resulted in 1,196 applications for funding.

The original target of 280 projects spans three years. Taken together, the total approved projects in 2008–2009 (166) and 2009–2010 (169) exceeds the original three-year projection because the approved projects had lower eligible project costs on average than was anticipated during the planning process (which produced the original target of 280 projects).

Expected Result Canadian parents with children under age six have financial support for child care choices

Performance Summary 2009–2010

Performance Indicators	Targets, Performance Status, Historical Results	
Percentage of eligible families who are receiving the UCCB for their children under age six **Source:** Canada Revenue Agency	**280** 100% of eligible families 2009–2010 results: 99% (estimated) **EXCEEDED**	Historical results: 2008–2009: 99% (estimated) 2007: 95%

An estimated 99% of eligible families receive the UCCB.

Performance Analysis

Following the January 2009 Speech from the Throne, funding for the Homelessness Partnering Strategy was extended at current levels ($269.6 million) for two years, from April 1, 2009, to March 31, 2011. This enables the Department to continue assisting communities in helping homeless individuals and families, as well as those who are at risk of homelessness, move toward self-sufficiency.

Additionally, in 2009–2010, the Department launched six new horizontal pilot projects with other federal departments and agencies to address factors that may lead to homelessness, such as incarceration, employment status, mental health challenges, family violence and immigration. Furthermore, seven previous horizontal pilot projects with other federal departments and agencies were extended for six months into 2009–2010 to strengthen the project evaluations and achieve more robust results. In 2009–2010, a total of 65 housing units were created through the Surplus Federal Real Property for Homelessness Initiative, which provides

surplus federal properties to community organizations, the not-for-profit sector and other levels of government for projects to prevent and reduce homelessness.

To further support people with disabilities, HRSDC conducted outreach activities to raise awareness of the Canada Disability Savings Program; coordinated the Department's involvement in the 2010 Olympic and Paralympic Winter Games; and provided funding for 169 small projects through the Enabling Accessibility Fund. The objective of the latter program is to support community-based projects across Canada that improve accessibility, reduce barriers and enable Canadians, regardless of physical ability, to participate in and contribute to their community and the economy.

HRSDC's Office for Disability Issues held an national roundtable on June 25 and 26, 2009, to seek input from stakeholders about the ratification, implementation and reporting of the United Nations *Convention on the Rights of Persons with Disabilities*. A public consultation website was launched on June 25, 2009, and closed for comments on August 14, 2009. The views expressed by stakeholders through these consultations played an important role in informing the ratification decision and will be considered in any new measures that may be taken at the federal level after ratification to further implement the Convention.

The number of kindergarten children and their parents involved in Understanding the Early Years (UEY) community research activities met the target of 20,000, supporting communities' ability to use local data related to child development. The Department also held a UEY Legacy Forum in March 2010 to showcase the work of all UEY projects, including pilot projects, and highlight the accomplishments of the program.

The Elder Abuse Awareness component of the NHSP approved 16 new multi-year contribution agreements—many with first-time recipients—following a call for proposals in June 2009. Through this funding, organizations and others who work to prevent elder abuse develop opportunities to transfer knowledge, best practices, lessons learned and resource materials to help raise awareness of abuse among seniors, those that care for them and the general public. Furthermore, the FEAI raised awareness through the "Elder Abuse – It's Time to Face the Reality" campaign, which included television, print and Web components and ran between June 15 and 29, 2009, and between September 28 and October 25, 2009. As part of the review process, the Advertising Campaign Evaluation Tool was used to determine the effectiveness of the campaign. In a post-campaign survey, 58% of respondents indicated hearing/reading advertising about elder abuse, which exceeds the government advertising benchmark of 36% and demonstrates the success of the campaign.

Plans and Achievements for 2009–2010

Address homelessness issues in consultation with key partners by implementing the renewed HPS and developing options for future responses

To achieve an effective and seamless transition of the HPS in 2009–2010, a plan was successfully implemented to address the extension of existing project agreements and avoid gaps in service to homeless people across Canada on April 1, 2009. In addition, HRSDC led consultations about the best ways to allocate federal homelessness investments between 2011 and 2014.

Strengthen and expand front-line service and address barriers for children and families, people with disabilities and other vulnerable populations across Canada by implementing the renewed SDPP in partnership with not-for-profit organizations

An open call for proposals was held in spring 2009, resulting in the funding of 37 new multi-year contribution agreements—21 of which are with first-time recipients. The priorities included caregiving over the life course and support for the not-for-profit sector in addressing the challenges resulting from the economic downturn.

Develop information and resource materials for front-line workers (public health, medical, legal, police, financial, etc.) by providing key professional groups with the information necessary to identify cases of elder abuse, access the appropriate resources and take measures to provide assistance to victims

HRSDC implemented the Federal Elder Abuse Initiative in collaboration with partner departments and agencies, including launching a national public awareness campaign. In addition, the Department designed, planned and implemented a call for proposals in July 2009, resulting in one-time funding through six new multi-year contribution

agreements with various professional groups. Through these agreements, professional groups will provide information sessions to their members so that those members may better serve seniors and contribute to an increased public and professional understanding of elder abuse for the 2010–2011 fiscal year.

Lessons learned

Streamlining and improving calls for proposals: the Enabling Accessibility Fund and the New Horizons for Seniors Program Elder Abuse Awareness component

The EAF was announced in Budget 2007 with funding for three years. To facilitate the flow of funding to communities as quickly as possible, the deadline for the first call for proposals was limited to 30 days. Although the uptake was significant, the short duration of the call for proposals was criticized for not providing sufficient time to prepare proposals for capital projects. To address this criticism, the second call for proposals, held in 2009, allowed applicants six weeks to prepare and submit their proposals. The result was an even greater uptake and a significant improvement in the overall quality of proposals.

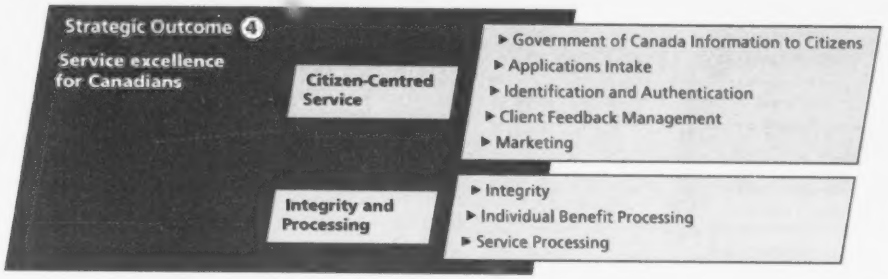
While the NHSP's Elder Abuse Awareness component was recognized as being designed to realistically attain its stated objectives and is being implemented as intended, the Department continues to take action in identified areas for improvement related to design, delivery and management issues. The following specific measures were undertaken:

- stabilizing staff, and streamlining the internal approval processes;
- improving communications by including the date that applicants can expect to receive a final decision regarding their proposals on the website, in the application materials and in the acknowledgement of receipt of application letter; and
- limiting potential duplication of elder abuse awareness initiatives by regularly consulting with other federal departments that address elder abuse, with the Federal-Provincial-Territorial Working Group on Safety and Security for Seniors, and with the National Review Committee . In addition, an established relationship with the Financial Consumer Agency of Canada helps the Department identify existing materials about the financial abuse of seniors, which could be used by partners in their programming.

Improving community-based programs: building on the Understanding the Early Years program

The feedback from community representatives connected to UEY projects has been positive regarding the impact of community-based research. Local research is recognized as an effective engagement tool that can involve various community partners in a project and create synergy to enhance services. By identifying strengths, challenges and barriers, research has helped UEY communities acquire resources to make changes to how services are being provided to young children and their families; however, the overwhelming consensus from participating projects is that government support must provide adequate time (ideally more than three years) and financial resources to allow projects to address the challenges of engaging the full range of organizations and individuals in the community. These lessons learned will help policy-makers develop future programs.

2.4 Strategic Outcome 4



2.4.1 Program Activity: Citizen-Centered Service

Priorities

Respond to increase in demand for services from existing Service Canada–delivered programs

Benefits to Canadians

Canadians continue to benefit from having easy access to integrated government services through the channel and in the official language of their choice. This program activity aims to improve and integrate government service delivery by providing Canadians one-stop, personalized service and easy access to programs and services across all of its service delivery channels:

- in person;
- by telephone;
- on the Internet; and
- by mail.

These service delivery channels provide a platform for dialogue and for building sustained client relationships with Canadians.

Guided by the ongoing feedback of citizens and front-line employees, and in collaboration with partners, the Department continuously refines its service strategies, approaches and offerings, so that Canadians can easily and securely access the government information or services they need.

The Citizen-Centred Service Program Activity supports the Government's efforts to achieve single-window, seamless service delivery to promote timely, positive service experiences and overall client satisfaction.

HRSDC successfully implemented measures from *Canada's Economic Action Plan* to meet increased demand for services. These measures included improving Service Canada's capacity for integrated service delivery through activities such as a Rapid Response Initiative, increased mobile outreach activities and improved access to a variety of web-based service offerings.

Program Activity Citizen-Centred Service

Financial Resources (millions of dollars) and Human Resources (Full-Time Equivalents)

2009–2010			2009–2010		
Planned Spending	Total Authorities	Actual Spending	Planned	Actual	Difference
474.5	540.9	531.1	6,088	5,552	536

Note: Financial and human resources amounts for this program activity include resources related to initiatives under *Canada's Economic Action Plan*. See page 29 for details by initiative.

Expected Result Government of Canada information is disseminated to citizens on behalf of other program departments

Performance Summary 2009–2010

Performance Indicators	Targets, Performance Status, Historical Results	
Percentage of clients satisfied with information received through the in-person, telephone, web and mail channels **Source:** Administrative data	**80% for each channel** 2009–2010 results: **POSTPONED** The Client Satisfaction Survey was postponed to 2010–2011	Historical results: 2007–2008: Internet: 84% In-person: 88% Telephone: 84% Mail/fax: 83%

The latest data (2007–2008) from the Client Satisfaction Survey indicate that in 2008, 83% of clients expressed satisfaction with the service they received from Service Canada, with 57% indicating that they were very satisfied.

Expected Result Canadians receive an accurate review of passport applications by Service Canada agents

Performance Summary 2009–2010

Performance Indicators	Targets, Performance Status, Historical Results	
Percentage of passport applications accurately reviewed and authenticated by receiving agents **Source:** Passport Canada	**98%** 2009–2010 results: 97.4%* **MET**	Historical results: N/A (new indicator)

In 2009–2010, 412,367 passport applications were reviewed and forwarded to Passport Canada. This represents an increase of 19.5% over 2008–2009. Passport receiving agents were able to successfully deal with the sharp increase in the volume of applications and the added steps associated with the Documentary Evidence of Citizenship validation service.

* **Note:** 2.6% of applications are considered incomplete due to improper photographs, missing information, illegible information, etc.

Expected Result Canadians receive a timely response to the feedback they submit regarding delivery of services by Service Canada

Performance Summary 2009–2010

Performance Indicators	Targets, Performance Status, Historical Results
Percentage of Office for Client Satisfaction feedback replied to within seven working days of receipt **Source:** Administrative data	**100%** 2009–2010 results: 100% **MET** Historical results: 2008–2009: 100% 2007–2008: 100%
	The Office for Client Satisfaction continually met its service standards by making initial contact with clients within 24 hours and resolving client files within seven days. In 2009–2010, the Office received close to 7,000 feedback items (including 2,727 referrals to other departments).
Percentage of Pleasure Craft Licence transactions completed in one visit (percentage is based on completed applications with all supporting documents) **Source:** Service New Brunswick	**95%** **WITHDRAWN** Historical results: 2008–2009: N/A 2007–2008: 89.8%
	The Pleasure Craft Licence (PCL) Service Agreement between Service Canada, Transport Canada and Service New Brunswick will end as of November 2010 and the PCL system (built externally and managed by Service New Brunswick) cannot report on this indicator. Issuing pleasure craft licences after November 2010 continues to be the responsibility of Transport Canada.

Expected Result Canadians are aware of Service Canada

Performance Summary 2009–2010

Performance Indicators	Targets, Performance Status, Historical Results
Percentage of Canadians who are aware of Service Canada **Source:** Administrative data	**65%** **POSTPONED** Survey not conducted in 2009–2010
	The General Population Survey was not conducted in 2009–2010 due to the increased workload associated with *Canada's Economic Action Plan*. However, the 2007–2008 Client Satisfaction Survey demonstrated that 64% of surveyed clients reported being aware of Service Canada, a significant increase from the initial result of 30% in 2006–2007. In addition, according to an online survey of Canadians conducted by the Treasury Board Secretariat in March 2009, 71% of government website users are aware of Service Canada.

Performance Analysis

In 2009–2010, the Department continued to improve its service offerings and service delivery strategies to better provide Canadians with bilingual, easy-to-access, personalized service to help them access government information and services.

To respond to the economic downturn, as well as to Budget 2009 and *Canada's Economic Action Plan*, Service Canada developed a Rapid Response Initiative. This initiative comprised the following two activities:

- Mobile Outreach, a program to provide information sessions to raise awareness of programs such as extended Employment Insurance (EI) benefits, Work-Sharing, Career Transition Assistance and self-employment benefits;
- client information sessions that provide information to facilitate clients' return to the workforce and/or training as quickly as possible. A survey revealed that 86% of clients who attended a session felt confident that they knew what resources are available to help them, compared to 68% of those who did not attend a session.

The Resource Determination Model for in-person service was enhanced, and the In-Person Service Experience Model (IPSEM) was finalized in November 2009 and communicated to all service delivery staff. The IPSEM outlines all the service elements and employee behaviours required in a Service Canada Centre to achieve service excellence. This model will create a positive, seamless and consistent service experience for all clients visiting the offices. Using the principles and standards developed in the IPSEM, a Web Service Experience Model was developed to provide direction and guidance to service delivery staff responsible for developing/supporting websites and applications.

The Points of Service Strategy supported efforts to ensure that over 90% of Canadians have access to points of service, including scheduled outreach sites, within 50 kilometres of where they live. The hours of service directive was updated with new guiding principles to support Service Canada Centres in providing service beyond core hours where necessary. The "Find a Service Canada Office" link was refined to assist Canadians in locating points of service more quickly via the Internet.

The Department continues to review the content of the Service Canada website, in posting and updating 39% more content in 2009–2010 than in the previous year. This helps clients navigate HRSDC's programs and services, and ensures that program and service delivery information is available to staff handling citizen requests and interactions.

HRSDC also strengthened communication to clients through foreign language interpretation services, which are being piloted in 53 Service Canada locations to help people who do not speak English or French access benefits and services.

For the 2009–2010 fiscal year, the Employment Insurance toll-free service responded to over 7.7 million telephone enquiries, an 18% increase over the previous fiscal year. For 2009–2010, 4 million calls (53%) were answered within 180 seconds, a 16% increase over the 2.4 million (37%) in 2008–2009. Additionally, the number of high-volume messages received by callers decreased by 34%. These results were due largely to an expanded workforce (543 additional staff were trained over the course of the year) and extended hours in some centres (until 8:00 p.m. local time, Monday to Friday) as well as ongoing Saturday service (8:00 a.m. to 4:00 p.m. local time). This strategy gave clients more choice and shifted call volumes away from peak periods during the day.

In 2009–2010, the Canada Pension Plan (CPP) and Old Age Security (OAS) toll-free service experienced a 6% increase in calls answered over the previous year; however, due to resource capacity constraints, there was a decrease of 4% in the number of agent-assisted enquiries. As a result of the increased demand, there was also a significant increase in the volume of blocked and abandoned calls. This inability to meet the true call demand contributed to a reduction in the service level to 61% of calls answered within 180 seconds in 2009–2010 from 84% in 2008–2009.

The network continues to refine its resourcing and scheduling strategy to better meet seasonal, weekly and daily peak call volume periods. A new national workforce management system will allow better scheduling of resources across the 14 specialized call centres to ensure that resources are available to meet client demand.

Plans and Achievements for 2009–2010

Meet increasing demands for information, applications and services through the various service delivery channels for Employment Insurance, Canada Pension Plan, Old Age Security, Guaranteed Income Supplement, Work-Sharing, Job Bank, grants and contributions programs, Apprenticeship Incentive Grants and the Wage Earner Protection Program.

Service Canada locations across Canada received over 14 million requests for services in 2009–2010, compared to 12 million in 2008–2009. Service Canada was able to meet the increased demand for in-person service and serve more clients by reviewing internal processes to increase the efficiency of operations and by hiring additional temporary employees.

The Department also initiated a Rapid Response Initiative and increased Mobile Outreach activities (contacting employers within 24 hours of publicly announced layoffs). Regional teams delivered both employer and worker information sessions, which were attended by 19,460 employers and 71,419 workers.

Canadians have increasingly turned to **www.servicecanada.gc.ca** for online access to forms and information. Visits to the Service Canada website were 76% higher than in the previous year, with 55.1 million visits during 2009–2010.

On the Service Canada website, special landing pages were created for workers and employers:

- the "Finding a Job" page, which received 7.72 million views in 2009–2010, a significant increase from the 1.15 million views in 2008–2009;
- the "Wage Earner Protection Program" page, which is designed to better inform Canadians of eligibility requirements and provide answers to frequently asked questions; and
- the "Work-Sharing 2010" page, which outlines information about the program, including recent changes.

The Job Bank website received over 106 million visits. It provides job seekers and employers access to information, job matching and referrals, 24 hours a day, 7 days a week, with the exception of very short intervals when scheduled maintenance is performed.

Specialized call centres for EI, CPP and OAS received more than 55.8 million calls for information and services. The interactive voice response system was able to facilitate the resolution of 35.4 million of these calls through self-service.

The 1 800 O-Canada general information line responded to more than 1.9 million enquiries, exceeding the previous year by 6.5%, and answered 90% of calls within the service standard of 18 seconds. The 90% service level exceeded the target of 85%. Key support was provided to over 25 Government of Canada communication initiatives (such as *Canada's Economic Action Plan* and the 2009 H1N1 pandemic).

Strengthen communication to clients by bundling information for workers who have lost their job, as well as employers facing closures and layoffs

In response to *Canada's Economic Action Plan*, the Department:

- developed and implemented a one-hour in-person information session for long-tenured workers who lost their jobs;
- increased mobile outreach activities by contacting employers within 24 hours of publicly announced layoffs (3,925 employer information sessions and 2,555 worker information sessions were held);
- updated the Benefits Finder tool (which combines federal and provincial benefit information) on the Canada Benefits website to provide Canadians with fast and accurate bundling of service and benefits information;
- developed 36 regional handouts for workers—including those in specific categories, such as youth, Aboriginal people, people with disabilities and newcomers—that bundle together both federal and provincial program and service information about looking for a job, financial assistance and training; these handouts are available on the Service Canada website and are given to clients in person by citizen service officers and specialists;
- developed three client segment modules (Aboriginal people, newcomers and people with disabilities) as part of the overall training for citizen service officers offered by the Service Canada College—each module provides insight about a unique client segment,

providing front-line staff with the knowledge and understanding they need to better serve these clients; and

- developed a "How to Bundle" job aid for front-line staff to help them introduce value-added bundling of programs and services for clients.

Direct clients to cost-effective, efficient virtual services by using targeted marketing (web and voice interactive telephone services) when clients are seeking information and interacting with the Department, and refer inquiries to provinces to access labour market programs

The Department reached out to Canadians affected by the economic downturn to help them access benefits faster. Cost-effective marketing initiatives encouraged Canadians who could self-serve to do so, thereby taking pressure off front-line resources. Ten online video tutorials were also launched on the Service Canada website to assist clients with tasks such as using the My Service Canada Account, applying for EI benefits, completing EI reports and using labour market information. From their launch in early January 2010 to the end of March 2010, the videos were viewed approximately 134,000 times. In addition, the EI search engine was revised to better support clients accessing EI information online. In 2009–2010, the search engine received over 41 million visits.

Increase first contact resolution for a broader range of enquiries and improve service efficiency by expanding collaboration and support between in-person, call centres and processing service groups

The Department created an Integrated Channel Management Directorate to ensure that high-quality service is delivered consistently through the three channels (web, telephone and in-person).

In 2009–2010, the EI Cross-Channel service (which allows in-person staff to connect directly to a call centre agent to resolve four types of client requests in real time) responded to more than 265,000 enquiries, with close to 70% of these enquiries resolved during the telephone conversation. It is estimated that, by resolving client requests during the initial interaction, the project reduced the number of follow-up actions sent to processing by more than 180,000.

Lessons Learned

While the Department has been able to maintain a high standard of service delivery, increases in client volumes and heightened service expectations require a strategic and proactive approach to meet future demand. This consideration will be addressed in future plans, starting with a focus on improving the information provided to clients. The key outcomes of this approach will include further identification of service gaps, greater coordination across delivery channels, and enhanced tools and capacity for staff engaging with clients.

Canada's Economic Action Plan created significant and sudden demands on the call centre network. Key lessons learned from the experience included:

- Introducing new agents into the network as a means of addressing sudden changes to call volumes is limited by the current training period of 10 to 12 weeks for new staff.
- The strategy of employing 40% of agents on a part-time basis (22.5 to 30 hours per week) is a key business practice that should continue. It provides additional flexibility and capacity to meet sudden, short-term fluctuations in call volumes. The ratio of full-time to part-time resources should be evaluated on a regular basis to ensure that it continues to meet the needs of clients.
- There is a strong correlation between delays in processing and call volumes for the EI program. In any future development of a service delivery model, there should be an opportunity to share simple processing work with call centres so that these delays can be minimized and ultimately calls from repeat callers reduced.
- There is a need to adopt a tiered service delivery strategy across the telephone channels to most efficiently respond to the volume and nature of calls.

Building on the success of the cross-channel service, Service Canada's call centres will be transitioning to a client contact centre model that will allow for a more effective, flexible and scalable service. This will help ensure client enquiries are treated in a timely fashion by knowledgeable agents with the appropriate resources to resolve the request during first contact.

Client information sessions held for long-tenured workers yielded valuable insight into how these events might best be conducted in the future. To increase

take-up, the invitation process was revised by the marketing division to better inform citizens about registering for a session.

An internal audit of scheduled outreach services was conducted in summer 2009 and concluded that the service respects government and departmental policies but is not delivered in a consistent way across the regions. The audit resulted in a management action plan that contributed to improving service delivery in the network. The audit findings will also reinforce the ongoing development of a new directive on scheduled outreach, which is scheduled to be implemented in summer 2010. The main objective of this directive is to ensure a consistent national approach to providing scheduled outreach services across the regions.

2.4.2 Program Activity: Integrity and Processing

Benefits to Canadians

Canadians have benefited greatly from swift, secure and accurate benefit payments from the Department. The Integrity and Processing program activity positions the Department to be better able to ensure the accuracy of payments, the security and privacy of personal information, and the overall quality of service offerings.

Under *Canada's Economic Action Plan*, Service Canada implemented a variety of successful measures and initiatives to help ensure that Employment Insurance (EI), Canada Pension Plan (CPP) and Old Age Security (OAS) benefits were delivered to the right person in the right amount and for the intended purpose. With over 3 million EI claims in 2009–2010, several measures were implemented to reduce processing time to further benefit Canadians.

The organization continues to modernize the way it handles processing and service delivery functions to further enhance the efficiency, accuracy and integrity of its operations. These efforts not only ensure public confidence and trust in the delivery of government services, but also yield savings for the federal government. A total of $701.6 million in savings was realized in 2009–2010. These results are measured and reported as program savings, which consist of both direct and indirect savings:

- Direct savings are overpayments and associated penalties that are identified as a result of integrity activities and are subject to recovery.
- Indirect savings are reductions in future program payments (i.e. avoidance of future costs) resulting from the discontinuation of benefits.

The Department maintains management frameworks, processes and risk-based controls to strengthen the integrity of its programs by ensuring operational and service compliance. In addition, the Department continues to place significant emphasis the importance of protecting the information entrusted to it by Canadians.

Program Activity Integrity and Processing

Financial Resources (millions of dollars) and Human Resources (Full-Time Equivalents)

2009–2010			2009–2010		
Planned Spending	Total Authorities	Actual Spending	Planned	Actual	Difference
553.5	826.4	804.7	7,799	9,553	(1,754)

Note: Financial and human resources amounts for this program activity include resources related to initiatives under *Canada's Economic Action Plan*. The difference between actual and planned FTEs is largely explained by additional temporary resources linked to the increased workload brought on by the economic downturn and implementing *Canada's Economic Action Plan*.

Expected Result Employment Insurance applicants receive a benefit payment or a non-payment notification in a timely manner

Performance Summary 2009–2010

Performance Indicators	Targets, Performance Status, Historical Results	
Percentage of EI benefit payments or non-payment notifications issued within 28 days of filing **Source:** Administrative data	**80%** 2009–2010 results: 84.2% **EXCEEDED**	Historical results: 2008–2009: 79.1% The target was met consistently from 2004–2005 to 2007–2008.

The Department received 3,249,676 EI initial and renewal claims in 2009–2010, an increase of approximately 23% since the economic downturn began in 2007–2008. The increase in claim volumes required that the Department take steps to maintain the level of service that claimants have come to expect, including:

- reassigning, hiring, and training additional staff;
- streamlining operations through process improvements;
- extending hours of operation;
- balancing workload between processing centres across the country; and,
- using overtime.

The speed of payment target was exceeded in 8 out of 12 months and every month since August 2009. The 76.8% result in April 2009 was the lowest service result for 2009–2010. The year-end result (84.2%) was a significant increase from the previous year's 79.1% and a clear indication of how well the EI business line responded to the economic downturn.

Expected Result Eligible Employment Insurance applicants receive a benefit payment in the right amount

Performance Summary 2009–2010

Performance Indicators	Targets, Performance Status, Historical Results	
Payment accuracy of Employment Insurance **Source:** Administrative data	**95%** 2009–2010 results: 96.1% **MET**	Historical results: 2008–2009: 95.7% 2007–2008: 94.3% 2006–2007: 94.8%

Results are a 12-month moving average ending in March 2010.

Expected Result Eligible Canada Pension Plan retirement benefit applicants receive a benefit payment in the right amount and in a timely manner

Performance Summary 2009–2010

Performance Indicators	Targets, Performance Status, Historical Results	
Percentage of Canada Pension Plan retirement benefits paid within the first month of entitlement **Source:** Administrative data	**85%** 2009–2010 results: 96.2% **EXCEEDED**	Historical results: 2008–2009: 91.3% The target has been met consistently since 2004–2005.
	A total of 637,831 CPP applications were processed in 2009–2010. The target for this indicator reflects the Department's published service standards for this program.	
Payment accuracy of Canada Pension Plan **Source:** Administrative data	**95%** 2009–2010 results: 99.9% **EXCEEDED**	Historical results: 2008–2009 (baseline year): 99.7%
	Results are a 12-month moving average ending in March 2010. The target for this indicator reflects the Department's published service standards for this program.	

Expected Result Eligible Old Age Security pension applicants receive a benefit payment in the right amount and in a timely manner

Performance Summary 2009–2010

Performance Indicators	Targets, Performance Status, Historical Results	
Percentage of Old Age Security basic benefits paid within the first month of entitlement **Source:** Administrative data	**90%** 2009–2010 results: 91.7% **MET**	Historical results: 2008–2009: 92.1% The target has been met consistently since 2004–2005
	A total of 881,467 OAS applications were processed in 2009–2010, and 1,470,775 Guaranteed Income Supplements were renewed.	
Payment accuracy of Old Age Security **Source:** Administrative data	**95%** 2009–2010 results: 99.5% **EXCEEDED**	Historical results: 2008–2009: 98.4% 2007–2008: 97.7%
	Results are a 12-month moving average ending in March 2010. The target for this indicator reflects the Department's published service standards for this program.	

Expected Result Apprenticeship Incentive Grant applicants receive a benefit payment or a non-payment notification in a timely manner

Performance Summary 2009–2010

Performance Indicators	Targets, Performance Status, Historical Results	
Percentage of Apprenticeship Incentive Grant (AIG) payments issued within 28 calendar days of filing **Source:** Administrative data	**85%** 2009–2010 results: 98% **EXCEEDED**	Historical results: 2008–2009: 98% 2007–2008: 93%

A total of 81,513 AIG applications were received and 58,903 grants were paid in 2009–2010. The target for this indicator reflects the Department's published service standards for this program.

Expected Result Wage Earner Protection Program applicants receive a benefit payment or a non-payment notification in a timely manner

Performance Summary 2009–2010

Performance Indicators	Targets, Performance Status, Historical Results	
Percentage of Wage Earner Protection Program (WEPP) payments issued within 28 calendar days of filing **Source:** Administrative data	**Baseline year** 2009–2010 results: 58% **BASELINE YEAR**	Historical results: N/A

A total of 17,957 WEPP applications were received and 16,264 payments were issued.

The WEPP was launched in July 2008. In response to the economic downturn, the scope of the program was amended in January 2009 to include two new payment categories: severance and termination. This resulted in a significantly higher workload than initially forecasted, which directly affected Service Canada's ability to consistently meet its performance standards. In September 2009, measures were taken to increase processing capacity. Since then, a consistent increase in monthly performance results has been observed.

Expected Result Clients are accurately identified for the purpose of receiving the appropriate service or benefit for Social Insurance Number-based programs

Performance Summary 2009–2010

Performance Indicators	Targets, Performance Status, Historical Results	
Accuracy rate of vital events **Source:** Social Insurance Register	**97.4%** 2009–2010 results: 97.6% **MET**	Historical results: 2008–2009: 97.5%
	Improvements in the accuracy rates for date-of-birth and date-of-death information in the Social Insurance Register is a result of lower error rates for current Social Insurance Number (SIN) transactions due to an improved quality management strategy. Vital events agreements with provinces and software improvements have led to a higher synchronization of provincial data.	
Legitimate Social Insurance Number (SIN) accuracy rate **Source:** Social Insurance Register	**99.9%** 2009–2010 results: 99.9% **MET**	Historical results: 2008–2009: 99.9%
	The high accuracy rate for SINs issued is a result of a variety of factors. Improved internal review mechanisms, coupled with improvements in software technology, have helped efforts to identify and resolve instances where a single individual had been issued two SINs. Additional historical data from new vital event linkages agreements with provinces, and a higher matching rate with provincial death data due to software improvements has also contributed to the strong result.	

Performance Analysis

The Employment Insurance (EI) system is the first point of contact in Canada's social safety net when an individual faces an interruption in employment income. Consequently, meeting citizens' expectations of timely payment is the prime objective for EI processing.

Payment and processing of EI benefits is done through a national network of approximately 110 processing sites. These sites process all new EI applications, Work-Sharing benefits and all benefit revisions to help ensure that payments continue on time and in the right amount. The performance of regional operations and systems is monitored continuously.

Applications for EI benefits increased to 3.2 million in 2009–2010 from 3.1 million in the previous fiscal year and have increased by nearly 23% or 600,000 applications since the start of the economic downturn in 2007–2008.

- Pending EI claim inventories, reaching as low as 84,600, were lower at the close of fiscal year 2009–2010 than they have been since July 2005.
- 2009–2010 marked the first year since 1999–2000 in which EI finished a fiscal year with as few as 2,500 claims (2.9%) not processed within the speed of payment target.
- Performance shortfalls occurred in the first three months of the 2009–2010 fiscal year as Service Canada hired, trained and monitored additional staff to respond to the increased demand for the EI program as a result of the economic downturn.

Over the last five years, the Department has been steadily improving its service delivery machinery to increase performance from a client perspective and decrease the cost of delivery. This initiative of simplifying operational policies and procedures, standardizing practices, and automating entitlement calculations and decision-making has enabled the Department to respond quickly to workload increases stemming from the economic downturn.

The main elements of this initiative included developing one national structural model for the service delivery organization, supported by a national training and

learning approach and centres of expertise. The rise of the Internet as the service delivery channel of choice for claimants enabled the work to be spread across the country, which further assisted in coping with the regional nature of the economic downturn.

The Department has leveraged existing payment and processing solutions to implement new measures announced under *Canada's Economic Action Plan*.

In comparison with the past three years, during which the average cost to process a claim ranged from $70.27 to $72.43, the current projection of $64.06 in 2009–2010 represents a significant reduction, reflecting the initial impact of streamlining and simplifying processes, as well as automating some claims processing. This improvement is also attributable to the increasingly electronic nature of exchanges of information with claimants and employers.

In 2009–2010, changes were made to the *Employment Insurance Regulations* to decrease administrative burdens for employers who submit records of employment online. These changes have improved the information employers send to the Department, and they support faster claims processing times for the benefit of claimants. As a direct result of marketing efforts with employers, just over half of records of employment (4.47 million of 8.7 million) were received electronically in 2009–2010. In addition, more than 39,000 new businesses registered in 2009–2010 to submit their records of employment online, an increase of 37% over the previous fiscal year.

The demographics-driven workload under the Canada Pension Plan and Old Age Security programs is building, and the effort to respond is equally demanding. One of the Department's most significant information technology projects, Release 7 of the Information Technology Renewal Delivery System, was launched in May 2009. This required carefully coordinated national direction, with intense regional activity to ensure that all factors were aligned for a successful launch. The new system increases the level of automation in the adjudication of benefits and makes it possible to further improve Web-based services and to provide Canadians with greater choice in accessing services.

Online applications for the Apprenticeship incentive Grant (AIG) were made available to clients in July 2009. Since then, an increasing proportion of individuals (39%) have chosen to apply for the AIG online rather than sending their application by mail (61%). Overall, the Department received 81,513 AIG applications in 2009–2010; however, 13% of applications processed (10,540) were rejected because of ineligibility. In addition, 14% of applications processed (11,406) were deemed incomplete and returned to clients. For fiscal year 2009–2010, over $58.5 million was paid, representing 94% of the overall AIG budget. Since the program was launched, 40,637 AIG applicants have received both level 1 and level 2 grants, obtaining the cumulative maximum grant of $2,000.

A number of successful measures and initiatives were implemented in the past year to ensure that EI, CPP and OAS benefits are delivered to the right person in the right amount and for the intended purpose:

- The national certification program for investigators was launched, and the first trainees have graduated.
- A number of National Reviews were conducted to identify and mitigate the risks to the CPP and OAS programs.
- Progress has been made with respect to increased automation for Integrity tools and programs. Refinements include enhancing the selection criteria for creating computer-generated investigations and conducting regular maintenance on the Case Management System.
- Promotional activities were undertaken to increase employer participation in the Report on Hirings program and the Automated Earnings Reporting System program.

Plans and Achievements for 2009–2010

Maintain processing standards in the face of expanding demand by developing action plans with specific activities to address the effect of the economic downturn on operations

To address the economic downturn, the Department put a comprehensive strategy in place to deal with increasing numbers of Employment Insurance claims, including hiring temporary employees, recalling recent retirees, increasing voluntary overtime and reassigning staff from other areas of the Department. Service Canada also increased the level of automation of claims processing and extended the hours of operation for EI call centres.

With regard to the CPP, the Department closely monitored and mitigated the effect of the downturn on the inventory of CPP retirement and Disability applications. The greatest impacts were seen in CPP Disability, and in response, a specialized unit has been handling overflow as needed to help ensure that Canadians receive timely and efficient service.

Risk assessment templates for identifying risks and appropriate mitigation strategies were used to inform decision making regarding the action plans and to ensure the integrity of the programs.

The Service Canada College played a key role in the launch of the latest version of the Information Technology Renewal Delivery System (ITRDS), responding to this change in operating systems by designing, coordinating and delivering training to 5,338 employees within a four-week period to help ensure that there was no interruption in service to Canadians. Also, with the introduction of *Canada's Economic Action Plan*, the Department deployed a total of 3,039 temporary, full- and part-time employees across the country to respond to the increased workload and citizen service needs. The Service Canada College responded in record time to support new and experienced payment service officers, service canada benefits officers and citizen services officers, ensuring that they were trained and ready to support communities and individuals.

Maintain processing standards in the face of expanding demand by continuing with EI, CPP and OAS automation to improve the Department's ability to meet increased workload demands

For EI, HRSDC's automation achievements to date have led to demonstrable increases in efficiency and productivity. Although a record claim load was experienced in 2009–2010, a number of key automation initiatives allowed the Department to consistently meet its speed-of-payment targets: 95% of all EI applications were automatically registered, and 41% of new claims and 63% of renewal claims were automated. The Department also conducted a risk assessment of the impact of the automation and simplification of the EI program to improve the integrity of the program and support its ability to deliver programs and services.

The new ITRDS platform supporting the delivery of the CPP was implemented in 2009–2010. It will facilitate the future development of increased automation in the adjudication of benefits, helping the Department to respond to the increased demand as a result of an aging population and to ensure that Canadians have greater choice in accessing services.

Ensure the integrity of departmental benefit programs by investigating abuse, misuse and errors in EI, CPP, OAS and SIN programs

A total of 560,633 cases were reviewed by EI, CPP and OAS investigators, resulting in the identification of $701.6 million in benefit program savings. This includes 1,028 major investigations with respect to EI fraud recovering a total of $2,564,574.

The Department adopted a risk-based approach to investigations which uses a variety of techniques to statistically assess the risk level of EI cases prior to investigating. A pilot was conducted and proved successful; the model will be implemented nationally in 2010–2011.

Facilitate information sharing by increasing the number of agreements for the exchange of vital events information with provinces and territories

Service Canada continued its work under the Pan-Canadian Vital Events Initiative by negotiating and signing a Vital Event Linkages agreement with the province of Quebec, bringing the total number of signed agreements to five.

Lessons Learned

The economic downturn resulted in unprecedented volumes of EI claims over the past two fiscal years and led to a temporary realignment of integrity resources to processing and payment activities to help ensure that Canadians received their benefit payments in a timely fashion. This realignment of resources, coupled with record EI claim volumes, created a backlog of integrity reviews and investigations. By applying a more focused, risk-based approach to investigations, supported by a revised governance structure, the Department was able to exceed its annual benefit program savings objectives for all its statutory programs (i.e. EI, CPP and OAS).

Since the significant integrity workload demands are expected to continue to increase for one year after claim intake returns to normal, the lessons learned in

2009–2010 regarding increased risk-based approaches and effective governance will be used to support the following measures, which will be undertaken to manage workload pressures:

- pursuing a national approach to the Integrity workload, including by implementing the predictive risk model nationally for the Computer Post-Audit program and testing the application of predictive risk models for other integrity programs;
- streamlining and simplifying Integrity processes (business process re-engineering opportunities);
- aligning the Resource Allocation Model to focus on high-risk and high-yield activities that will generate higher savings; and
- creating centres of specialization in regions to concentrate efforts on selected integrity reviews.

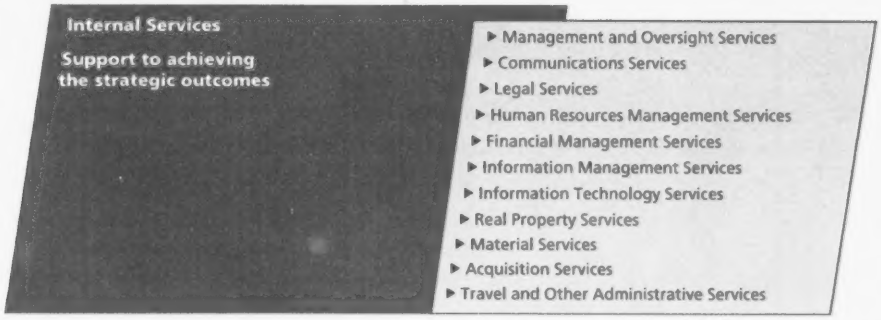
The Department will continue to invest in the design and use of technologies to improve electronic services for clients and businesses and to automate EI processing activities. Improvements in benefit processing are transforming the application processing network, giving it increased flexibility to respond to fluctuating workload volumes. The national processing network is evolving, characterized by standardized processes that are paperless, electronic and automated, resulting in more accurate, timely and equitable service for Canadians.

Implementing measures under *Canada's Economic Action Plan* during the infancy of the Wage Earner Protection Program (WEPP) resulted in an increased workload. In an effort to address the pressures of a new and changing program, Service Canada adjusted the key performance indicator for fiscal year 2010–2011 to more accurately reflect processing capacity. The objective of the program—timely payment of wages owed—remains intact as workers continue to receive WEPP payments significantly faster than the normal bankruptcy process.

In May 2009, Release 7 of the new ITRDS was implemented. This transition has greatly contributed to the reduced processing times for CPP retirement applications. The ITRDS was a multi-year, $139.9-million project resulting in a new CPP delivery system. At the end of the project, a post-implementation report was completed, documenting a number of lessons learned throughout the project's life cycle. These lessons will provide a body of knowledge to help inform future information technology projects.

One of the key lessons learned was the need to align people, processes and technology. While it was challenging to build a new benefit delivery system that includes automated decision-making support, it was critically important to ensure that the people and processes were prepared to adopt the new system. The ITRDS project incorporated a change management plan that focused on people, helping them adopt the new system. This resulted in a shorter transition period with a minimal impact on productivity during the early months post-implementation.

2.5 Internal Services


Internal Services
Support to achieving the strategic outcomes
▶ Management and Oversight Services
▶ Communications Services
▶ Legal Services
▶ Human Resources Management Services
▶ Financial Management Services
▶ Information Management Services
▶ Information Technology Services
▶ Real Property Services
▶ Material Services
▶ Acquisition Services
▶ Travel and Other Administrative Services

2.5.1 Program Activity: Internal Services

Program Description

Internal Services support the achievement of the Department's strategic outcomes by effectively providing the resources, guidance support services, and information necessary to successfully implement, design and deliver its programs and services. The definition of internal services is broad and includes policy development, research, audits, evaluation and executive functions, as well as the more traditional transactional corporate services such as information management, information technology, human resources and financial management.

At HRSDC, these services are organized into: Corporate Governance, the Chief Financial Officer, Human Resources Services, Strategic Policy and Research, Legal, Public Affairs and Stakeholder Relations, Internal Audit Services, Internal Integrity and Security, and Information Technology.

The proportion of resources dedicated to internal services across the country mirrors the complexity and breadth of the Department's mandate, as well as the number and diversity of its points of service and service channels. The Department's decentralized service delivery network is complex and is supported by an equally complex network of internal services, with over 2,000 FTEs in the regions.

Program Activity Internal Services

Financial Resources (millions of dollars) and Human Resources (Full-Time Equivalents)

2009–2010			2009–2010		
Planned Spending	Total Authorities	Actual Spending	Planned	Actual	Difference
794.2	960.0	937.4	6,168	5,813	355

Note: Financial and human resources amounts for this program activity include resources related to initiatives under *Canada's Economic Action Plan*. See page 29 for details by initiative.

Expected Result A workforce that represents Canada's diversity

Performance Summary 2009–2010

Performance Indicators	Targets, Performance Status, Historical Results	
Percentage of employees from designated employment equity groups **Source:** Administrative data	**Women: 59.1%** 2009–2010 results: 70.0%	Historical results: Women: 2008–2009: 70.4% 2007–2008: 70.7% 2006–2007: 70.8%
	Aboriginal Peoples: 3.0% 2009–2010 results: 4.2%	Aboriginal peoples: 2008–2009: 3.9% 2007–2008: 3.9% 2006–2007: 4.1%
	People with disabilities: 3.4% 2009–2010 results: 6.9%	People with disabilities: 2008–2009: 6.8% 2007–2008: 7.2% 2006–2007: 8.1%
	Members of a visible minority: 12.0% 2009–2010 results: 11.0% **EXCEEDED**	Members of a visible minority: 2008–2009: 9.6% 2007–2008: 9.0% 2006–2007: 9.0%

The percentage of women employed by the Department exceeds the target by 10%.

The percentage of Aboriginal people in the Department's workforce is 1.2% above the target, and the representation rate for people with disabilities (6.9%) remains well above the target (3.4%).

The visible minority representation rate has increased significantly since 2008–2009, but at 11%, remains slightly below the target of 12%.

Expected Result A workforce that represents Canada's diversity *(continued)*

Performance Summary 2009–2010

Performance Indicators	Targets, Performance Status, Historical Results	
Percentage of employees leaving the Department **Source:** Administrative data	**8.0%** 2009–2010 results: 6.7% **EXCEEDED**	Historical results: 2008–2009: 7.1% 2007–2008: 8.0% 2006–2007: 6.9%
	The Department has exceeded its expected level of performance. By focusing on strengthened leadership, healthy workplace initiatives, employee engagement and career development, the percentage of employees leaving the Department has been reduced to 6.7% from 7.1% in the previous year.	
Ratio of non-advertised external hiring to total hiring **Source:** Administrative data	**12%** 2009–2010 results: 6.2% **EXCEEDED**	Historical results: 2007–2008: 22%
	For 2008–2009, the Department made 526 external non-advertised appointments out of a total of 8,435 staffing processes (advertised and non-advertised). The percentage of external non-advertised appointments therefore represented 6.2% of the overall processes within HRSDC.	

Performance Analysis

HRSDC was able to adapt and respond to the increased demand for Internal Services resulting from the economic downturn and implementing Canada's Economic Action Plan. In order to fully and quickly implement its commitments, the Department developed a comprehensive internal risk management process to identify and assess risks along with associated mitigation strategies related to its policy, program design, service delivery and performance reporting capacities. This approach was supported by dedicated executive oversight and external expert advice, and it is continuing to strengthen the management of the Department's efforts related to *Canada's Economic Action Plan* and ongoing business priorities.

The Department strengthened its annual strategic planning and priority-setting exercises for the portfolio through broader engagement of senior executives. Business planning tables aligned to strategic outcomes were established to implement a more holistic and transparent resource allocation and priority-setting process. These tables consist of assistant deputy ministers with direct program accountabilities and the assistant deputy ministers of complementary activities such as the key enablers (finance, information technology and human resources). Discussions at these tables allowed for greater insight into priorities, risks, trade-offs, and financial and human resource considerations, as well as a greater focus on results-based decision making across the Department.

As part of the 2009–2010 mid-year review, the Department noted the pressures and challenges facing employees of the key enablers (finance, human resources and information technology). It was recognized that, although these enablers were able to successfully deliver on current priorities, there was a need to review existing processes and system requirements to better streamline activities and move to a broader enterprise approach for enabling services. This should enhance the Department's ability to recruit and retain employees in these three critical areas. An enabling services review was subsequently launched. HRSDC, through initiatives such as its own Enabling Services Review and the government-wide Administrative Services Review, is analyzing the way internal services are currently performed to improve service excellence, and ensure sound stewardship and greater value for money.

To address the findings of the 2008–2009 Management Accountability Framework assessment, HRSDC developed and implemented consistent and standardized departmental financial management processes, including a structured approach to investment planning to better align investments with business planning.

Efforts were also made to strengthen the management of personal information. For example, personal information–sharing agreements were drafted in line with the applicable departmental legislation (the Privacy Codes) and/or paragraph 8(2)(*f*) of the *Privacy Act*, where applicable. The Department also updated its inventory of personal information–sharing agreements to improve the coordination, stewardship, and protection of personal information.

HRSDC made significant progress in support of public service renewal. The Department's renewal priorities build on those set by the Clerk of the Privy Council in the Public Service Renewal Action Plan and are established based on feedback received from employees at all levels in the Department. The Department undertook a number activities related to its renewal priorities, including:

- **Creating a healthy and enabled workplace**
  The Department developed a strategy for building a healthy and enabled workplace and identified champions and co-champions to lead the efforts. In November 2009, it launched the Deputy Ministers' Awards of Excellence, which recognized employees for their outstanding contributions to the Department. Work was also started on the development of a departmental pride and recognition policy and program.
- **Strengthening and enabling leadership**
  The Department developed a new policy framework for human resources management and drafted key policies for informal conflict management, staffing and classification. In addition, four training modules related to performance measurement, virtual management, coaching, and leadership in a time of crisis were developed and launched by the Service Canada College.
- **Investing in career development**
  HRSDC completed its Professional Development Programs Framework, and a number of development programs are in place across the organization for various occupational groups. The Department established learning plans for all employees and is encouraging performance discussions between employees and their managers. In addition, phase one of the Mentoring Program was launched with the drafting of a mentoring framework and the establishment of pathfinders in targeted branches. Work is ongoing to design and develop programs in the branches and regions targeted in phase two of the program.

Plans and Achievements for 2009–2010

Ensure continuity of business operations in response to the increased service delivery requirements by developing business continuity planning and information technology security

The Department conducted a quality assessment review and updated over 500 departmental business continuity plans. It also implemented a permanent practice of establishing a three-deep approach to backing up all key positions, a strategy recognized as a best practice.

In addition, the Department conducted seven table-top exercises to test the Department's business continuity plans and overall readiness to respond to emergency situations, such as the 2009 H1N1 pandemic. A number of exercises were held, including one focused on the department's senior management, five in the regions and one in the Labour Program. In Public Safety Canada's national pandemic readiness survey, the Department achieved a rating of 100%.

In response to the 2009 H1N1 pandemic, and in support of long-term governance of departmental emergency management and business continuity activities, the Department has convened a permanent working group with this focus.

Strengthen financial management by continuing to implement a thorough investment review process, particularly in support of major projects relating to information technology and real property investments

In 2009–2010, the Department invested $48.7 million in information technology assets to address new demand, decrease operational risks, and ensure the sustainability of the information technology infrastructure.

Another $42.1 million will renew departmental facilities to better serve Canadians across the country through the departmental capital plan. In addition, the investment review process oversaw a portfolio of over 40 business-change and information technology–enabled projects in support of services to Canadians and employers.

Improve management of operational and business risks by securing and modernizing program service delivery through information technology

As a result of a multi-year project, a new Canada Pension Plan benefit delivery system was implemented in May 2009, eliminating two legacy applications. Since it was implemented, the new system has processed over 600,000 new CPP benefits and issued over 45 million CPP benefit payments for seniors, people with disabilities and survivors. The new system is based on both leading-edge and proven technologies, and it has proved to be both robust and high-performing. The information technology cost for this initiative since 2007–2008 is approximately $45 million.

The Department modernized the Information Technology Security Program through the approval of a departmental information technology security policy in June 2009. In addition, business continuity plans were reviewed to ensure that recovery capabilities are sufficient to mitigate the potential risk of systems failures, as well as to provide Canadians with more modern and secure access to departmental systems and services.

Communicate effectively with the general public by raising awareness of the benefits available to citizens and their families to help adjust to the economic downturn

HRSDC implemented a comprehensive communications, marketing and stakeholder relations strategy to inform Canadian workers affected by the economic downturn of programs and services available to them. The strategy included a major multimedia advertising campaign; developing and distributing promotional materials; organizing hundreds of announcement events and news releases, ministerial roundtables with stakeholders, and speeches at key venues; delivering regional outreach activities; and making significant updates to the Department's website to promote measures under *Canada's Economic Action Plan*.

Develop a more empowered and effective workforce by:

1) **providing greater support to managers in creating and implementing effective human resources plans**

   The Department continues to integrate human resources considerations into its strategic and operational planning process using support tools and human resources advisory services. Human resources planning processes and tools have been revised to increase integration with business planning, including additional evidence-based information and resulting in an increase in the overall effectiveness of the planning cycle. Operational human resources plans are regularly reviewed and revised to maintain alignment with evolving business priorities.

2) **continuing to streamline and standardize practices aimed at improving the efficiency and effectiveness of human resources services**

   Several projects were implemented with the primary objective of streamlining and simplifying human resources service delivery by standardizing forms, processes and templates while aligning with the Government of Canada's Common Human Resources Business Processes initiative.

   The Department expanded the Express Lane Staffing web-based tool to three out of five human resources service delivery regions (roll-out to all regions is to be completed by the end of summer 2010). In addition, the Department is developing and implementing information technology tools to help streamline human resources service delivery and improve reporting capabilities across the organization.

3) **addressing learning and training needs related to competency gaps in the management and delivery of programs and services by developing a national training strategy for grants and contributions delivery**

   The Department developed a portfolio-wide grants and contributions training strategy that, once implemented, will deliver a core curriculum that includes specialized and foundational training.

4) **streamlining management of grants and contributions, reducing administrative burden for stakeholders and contributing to the Web of Rules Action Plan and the *Government of Canada* Action Plan to Reform the Administration of Grant and Contribution Programs**[10]

A Risk Assessment, Management and Mitigation approach (which determines the frequency, type and intensity of monitoring activity) was designed and implemented portfolio-wide for contribution programs, effective April 1, 2010. As a result, staff focus administrative efforts on the areas of highest risk, thereby reducing reporting and other requirements for the majority of agreement holders who have lower-risk projects.

The Department developed a "time to acknowledgement" service standard, effective April 1, 2010. This measure standardizes the process of responding to all funding requests across the Department and provides external groups with information about the standard of service they can expect when submitting funding proposals.

[10] Although technically not an internal service according to the definition of Internal Services provided by the Treasury Board Secretariat, the management of grants and contributions is a cross-cutting function that affects every grant and contribution program within the entire department. For this reason, it was deemed appropriate to place it under internal services, which are also supportive of the whole department.

Section III Supplementary Information

Human Resources and Skills Development Canada

Supplementary Information

3.1 Electronic Tables

All electronic supplementary information tables listed in the 2009–10 Departmental Performance Report can be found on the Treasury Board of Canada Secretariat's website at **http://www.tbs-sct.gc.ca/dpr-rmr/2009-2010/index-eng.asp**

Supplementary Information Tables:

- **Sources of Respendable and Non-Respendable Revenue**
- **User Fees / External Fees**
- **Details of Transfer Payment Programs**
- **Up-Front Multi-Year Funding**
- **Horizontal Initiatives**
- **Green Procurement**
- **Response to Parliamentary Committees and External Audits**
- **Internal Audits and Evaluations**

3.2 Financial Highlights

The financial highlights presented within this Departmental Performance Report are intended to serve as a general overview of HRSDC's financial position and operations. The Department's unaudited consolidated financial statements are available online at: **http://www.rhdcc-hrsdc.gc.ca/eng/publications_resources/dpr/dpr/financial_statement/dpr_09-10_financial_e.shtml**.

HRSDC is financed by the Government of Canada through Parliamentary authorities. Financial reporting of authorities provided to HRSDC do not parallel financial reporting according to generally accepted accounting principles since authorities are primarily based on cash flow requirements. Consequently, items recognized in the Consolidated Statement of Operations and the Consolidated Statement of Financial Position are not necessarily the same as those provided through authorities from Parliament. A reconciliation between authorities used and the net cost of operations is set out in Note 3 of the Department's consolidated financial statements.

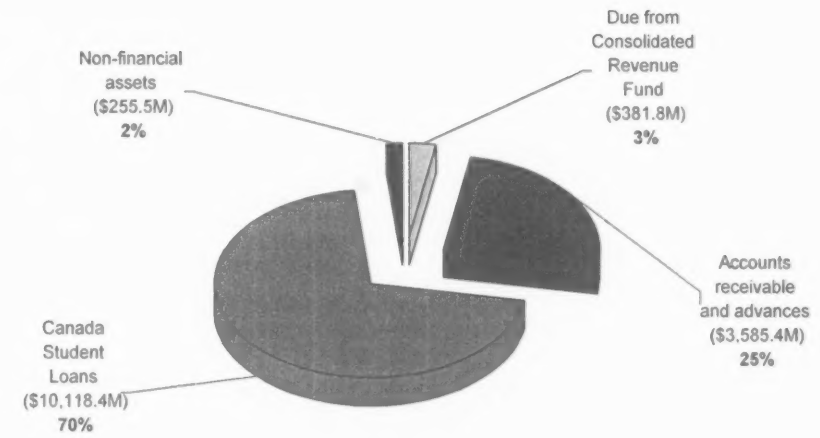
These consolidated financial statements include the transactions of the Employment Insurance Operating (EIO) Account, a sub-entity under the control of HRSDC. The accounts of this sub-entity have been consolidated with those of HRSDC and all inter-organizational balances and transactions have been eliminated. The balance of the Canada Pension Plan (CPP) deposit in the Consolidated Revenue Fund is presented as a liability in the departmental statements. The actuarial value of the Government Annuities Account (GAA) is presented as a liability in the departmental statements.

The purpose of this section is to explain the Department's 2009–2010 financial highlights, based on the Department's consolidated financial statements. The charts below illustrate the ending balances, as of March 31, 2010 for each major financial statement grouping, along with the corresponding change from the previous fiscal year. In summary, between 2008–2009 and 2009–2010, the Department's assets increased by 2%, its liabilities decreased by 5%, its expenses increased by 13%, and its revenues decreased by 6%. Below the charts are explanations for the variances in each major grouping based on the most significant factors that affected each grouping during the fiscal year.

Condensed Consolidated Statement of Financial Position

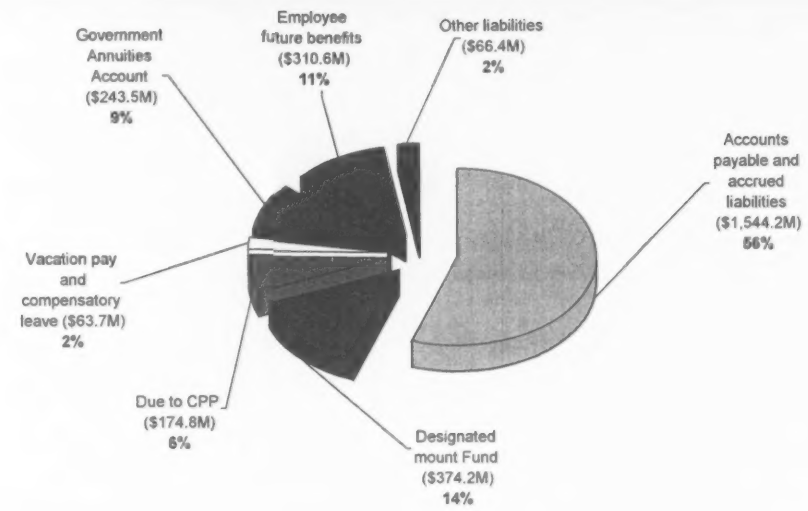
As at March 31	(millions of dollars) % Change	2010	2009
Total Assets	2.4%	14,341.1	13,999.0
Total Liabilities	-4.6%	2,777.4	2,912.8
Total Equity	4.3%	11,563.7	11,086.2

Assets by Type


Non-financial assets ($255.5M) 2%
Due from Consolidated Revenue Fund ($381.8M) 3%
Accounts receivable and advances ($3,585.4M) 25%
Canada Student Loans ($10,118.4M) 70%

Total assets amounted to $14,341.1 million as at March 31, 2010, an increase of $342.1 million (2.4%) over the previous year's total assets of $13,999.0 million. The increase in assets is mainly due to an increase of $771.9 million in Canada Student Loans caused by an excess of new loans disbursed over the total amount of repayments, which was partially offset by a decrease of $394.1 million in the amount due from the Consolidated Revenue Fund.

Liabilities by Type

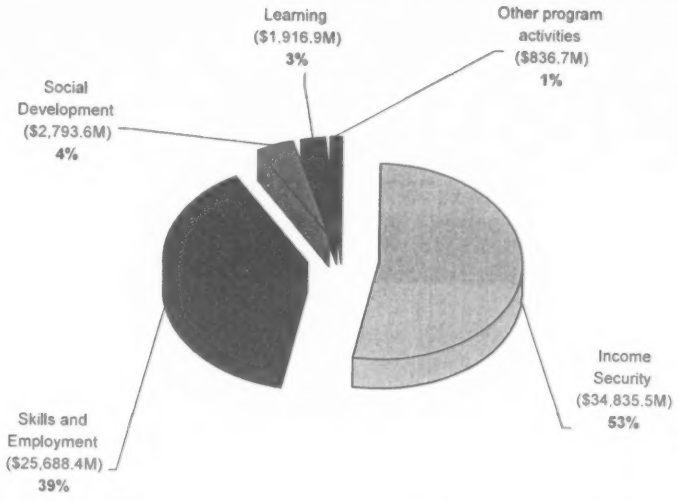

Government Annuities Account ($243.5M) 9%
Employee future benefits ($310.6M) 11%
Other liabilities ($66.4M) 2%
Accounts payable and accrued liabilities ($1,544.2M) 56%
Vacation pay and compensatory leave ($63.7M) 2%
Due to CPP ($174.8M) 6%
Designated mount Fund ($374.2M) 14%

Total liabilities amounted to $2,777.4 million as at March 31, 2010, a decrease of $135.4 million (4.6%) over the previous year's total liabilities of $2,912.8 million. The decrease in liabilities is mainly due to a decrease in accounts payable and accrued liabilities due to the timing of the payments at year-end.

Condensed Consolidated Statement of Operations

As at March 31	% Change	(millions of dollars) 2010	2009
EXPENSES			
Transfer payments	14.1%	62,466.0	54,741.2
Operating expenses	1.4%	3,605.1	3,557.0
Total expenses	**13.3%**	**66,071.1**	**58,298.2**
REVENUES			
EI revenues	-5.8%	17,177.0	18,231.8
Other	-15.5%	720.9	853.3
Total revenues	**-6.2%**	**17,897.9**	**19,085.1**
NET COST OF OPERATIONS	**22.8%**	**48,173.2**	**39,213.1**

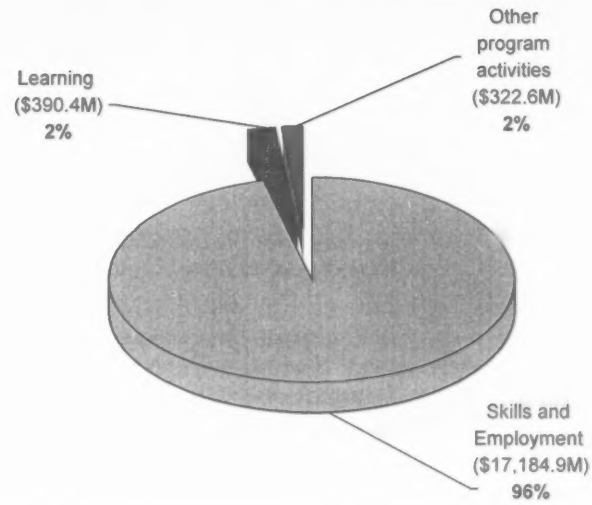
Expenses by Major Program Activity



Total expenses for the 2009–2010 year amounted to $66,071.1 million, an increase of $7,772.9 million (13.3%) over the previous year's total expenses of $58,298.2 million. The increase in total expenses is mostly attributable to:

- an increase of $6,025.4 million in Skills and Employment expenses due to the impacts of the global economic downturn and the Government's response as part of *Canada Economic Action Plan*;
- an increase of $1,404.1 million in Income Security expenses due to an increase in the eligible Old Age Security / Guaranteed Income Supplement population, and an increase in the monthly benefit amount, due to an aging population; and,
- an increase of $418.4 million in Learning expenses due to the introduction of the new enhanced measures of the Canada Student Loans Program.

Revenues by Major Program Activity



Total revenues for the 2009–2010 year amounted to $17,897.9 million, a decrease of $1,187.2 million (6.2%) over the previous year's total revenues of $19,085.1 million. The majority of this decrease can be explained by a decrease of $950.2 million in interest revenue related to Employment Insurance. In fact, as part of the amendments to the *Employment Insurance Act*, which came into force on January 1, 2009, the new EIO Account does not earn interest on the balance of the deposit in the Consolidated Revenue Fund in the same manner as the EI Account.

3.3 Specified Purpose Accounts

Introduction

Specified Purpose Accounts consist of special categories of revenues and expenditures. They report transactions of certain accounts where enabling legislation requires that revenues be earmarked and that related payments and expenditures be charged against such revenues. The transactions of these accounts are to be accounted for separately.

HRSDC is responsible for the stewardship of five such accounts:

- the Employment Insurance Account;
- the Canada Pension Plan;
- the Government Annuities Account;
- the Civil Service Insurance Fund; and
- the Canada Millennium Scholarship Foundation Excellence Awards Fund.

The Employment Insurance Account **is a consolidated Specified Purpose Account** and is included in the financial reporting of the Government of Canada. Consolidated Specified Purpose Accounts are used principally where the activities are similar in nature to departmental activities and the transactions do not represent liabilities to third parties but, in essence, constitute government revenues and expenditures.

The Canada Pension Plan **is a Specified Purpose Account but is not consolidated** as part of the Government of Canada financial statements. It is under joint control of the government and the participating provinces. As administrator, the government's authority to spend is limited to the balance in the Plan.

The Government Annuities Account **is not a consolidated Specified Purpose Account**. It was established by the *Government Annuities Act*, and

modified by the Government Annuities Improvement Act, which discontinued sales of annuities in 1975. The account is valued on an actuarial basis each year, with the deficit or surplus charged or credited to the Consolidated Revenue Fund.

The Civil Service Insurance Fund **is not a consolidated Specified Purpose Account**. It was established by the *Civil Service Insurance Act*. Pursuant to subsection 16(3) of the Civil Service Insurance Regulations, the amount of actuarial deficits is transferred from the Consolidated Revenue Fund to the Civil Service Insurance Account in order to balance the assets and liabilities of the program.

The Canada Millennium Scholarship Foundation Excellence Awards Fund i**s not a consolidated Specified Purpose Account**. It was established in order for HRSDC to administer the remaining Excellence Awards payments to eligible students upon the dissolution of the Canada Millennium Scholarship Foundation, which was ending after its ten-year mandate. HRSDC will administer the remaining Excellence Awards disbursements from January 1, 2010 until December 31, 2013. After this date, HRSDC will transfer any funds remaining in the account to the Consolidated Revenue Fund.

The following information updates forecasted data on the Employment Insurance Account and the Canada Pension Plan that the Department provided in the *2009–2010 Report on Plans and Priorities*[11]. That report presented multi-year financial data and general information. Additional information about performance and year-end data is available at the Internet addresses provided in this section.

[11] For further information, see http://www.tbs-sct.gc.ca/rpp/2009-2010/index-eng.asp?acr=1383

Employment Insurance Account

The table below summarizes the financial results for the Employment Insurance Account from 2007–2008 to 2009–2010.

Employment Insurance Account Statement of Operations[a]

(millions of dollars)	Actual 2007–2008	2008–2009	2009–2010
Expenditures			
Benefits	14,293	16,308	21,586
Administrative Costs	1,689	1,801	2,031
Doubtful Accounts[b]	81	27	50
Sub-Total	**16,063**	**18,137**	**23,667**
EI Premiums and Penalties			
Premiums	16,877	17,217	17,121
Penalties	58	41	42
Sub-Total	**16,935**	**17,258**	**17,163**
Variance	**872**	**(879)**	**(6,504)**
Premium Rate	**2008**	**2009**	**2010**
(% of Insurable Earnings)			
Employee	1.73%	1.73%	1.73%
Employer	2.42%	2.42%	2.42%

[a] The EI Account **is a consolidated Specified Purpose Account** and is included in the financial reporting of the Government of Canada. Consolidated Specified Purpose Accounts are used principally where the activities are similar in nature to departmental activities and the transactions do not represent liabilities to third parties but, in essence, constitute government revenues and expenditures.

[b] Represents write-offs and estimates of uncollectible account receivables for benefit overpayments and penalties imposed.

Note: Totals may not add due to rounding.

Revenues from Employment Insurance premiums decreased in 2009–2010 due to lower insurable earnings resulting from a decrease in employment. Employment Insurance benefit payments increased due to an increase in the number of beneficiaries and higher weekly benefits. As a result, expenditures exceeded revenues by $6.5 billion. The revenue shortfall was partially offset by $0.1 billion in interest earned and $1.5 billion in additional funding for measures introduced in Budget 2009.

More detailed information is reported in the 2009–2010 audited Employment Insurance Account financial statements that are included in the *2010 Public Accounts of Canada*, Volume 1, Section 4.[12] HRSDC also offers information about Employment Insurance on its website.[13] It provides information about the authority, objectives and details of the program as well as links to Actuarial Reports and the Employment Insurance Commission's annual Monitoring and Assessment Reports.

[12] For further information, see http://www.tpsgc-pwgsc.gc.ca/recgen/txt/72-eng.html

[13] For further information, see http://www.hrsdc.gc.ca/en/ei/legislation/ei_act_tofprov_1.shtml

Canada Pension Plan

The following table summarizes the financial results for the Canada Pension Plan (CPP) from 2007–2008 to 2009–2010.

More information relating to 2009–2010 is reported in the Canada Pension Plan financial statements which can be found in the *2010 Public Accounts of Canada*, Volume 1, Section 6.

Canada Pension Plan Summary

(millions of dollars)	Actual 2007–2008	Actual 2008–2009	Forecast 2009–2010	Actual 2009–2010
Revenue				
Contributions	35,346	36,506	34,287	36,276
Investment Income				
Canada Pension Plan	11	6	1	1
CPP Investment Board [a]	(268)	(23,576)	-	16,218
Total Investment Income	(257)	(23,570)	1	16,219
Total Revenue	**35,089**	**12,936**	**34,288**	**52,495**
Expenditures				
Benefit Payments	27,536	29,005	30,502	30,363
Administrative Expenses [b]	599	694	742	734
Total Expenditures	**28,135**	**29,699**	**31,244**	**31,097**
Increase / Decrease	6,954	(16,763)	3,044	21,398
Year-end Balance	126,785	110,022	113,066	131,420

[a] Canada Pension Plan Investment Board actual amounts are based on their audited financial statements. The Canada Pension Plan Investment Board invests mainly in equities and fixed income securities. The investment income is composed of realized gains and losses from investments, unrealized gains and losses on investments held at the end of the period (change in fair value) and foreign exchange gains and losses. For 2009–2010, there was a net investment gain.

[b] Administrative expenses include Canada Pension Plan administrative expenses as well as Canada Pension Plan Investment Board administrative expenses.

Note: All amounts from this table for 2007–2008 and 2008–2009 are the consolidated amounts found in the audited Canada Pension Plan annual financial statements.

Government Annuities Account

The table below summarizes the financial results for the Government Annuities Account from 2007–2008 to 2009–2010. Source of the figures is the Report of the Chief Actuary on the Government Annuities as at March 31, 2010.

Government Annuities Account Statement of Operations and Actuarial Liabilities

(millions of dollars)	Actual 2007–2008	2008–2009	2009–2010
Actuarial Liabilities –			
Balance at Beginning of Year	**319.4**	**292.9**	**267.2**
Income	21.1	19.4	17.5
Payments and Other Charges	45.0	42.0	38.7
Excess of Payments and Other Charges Over Income for the Year	23.9	22.6	21.2
Actuarial Surplus	2.6	3.1	2.5
Actuarial Liabilities –			
Balance at End of the Year	**292.9**	**267.2**	**243.5**

The annual report and financial statements for Government Annuities are available in the *2010 Public Accounts of Canada*, Volume 1, Section 6.[14]

[14] For further information, see http://www.tpsgc-pwgsc.gc.ca/recgen/txt/index-eng.html

Civil Service Insurance Fund

The table below summarizes the financial results for the Civil Service Insurance Fund from 2007–2008 to 2009–2010.

Civil Service Insurance Fund Statement of Operations and Balance

(millions of dollars)	Actual		
	2007–2008	2008–2009	2009–2010
Opening Balance	**6.0**	**5.9**	**5.6**
Receipts and Other Credits	0.1	0.0	0.1
Payments and Other Charges	0.2	0.3	0.3
Excess of Payments and Other Charges Over Income for the Year	0.1	0.3	0.2
Balance at End of the Year	**5.9**	**5.6**	**5.5**

Note: Totals may not add due to rounding.

The annual report and financial statements for the Civil Service Insurance Fund are available in the *2010 Public Accounts of Canada*, Volume 1, Section 6.[15]

[15] For further information, see http://www.tpsgc-pwgsc.gc.ca/recgen/txt/index-eng.html

Canada Millennium Scholarship Foundation Excellence Awards Fund

In accordance with *Budget Implementation Act* 2008, the Canada Millennium Scholarship Foundation is ending after its ten-year mandate. This Specified Purpose Account was established by way of an agreement between Canada Millennium Scholarship Foundation and Human Resources and Skills Development Canada (HRSDC) in order for HRSDC to administer the remaining Excellence Awards payments to eligible students upon the dissolution of the Canada Millennium Scholarship Foundation. The transfer of funds also includes the costs of administering this program on behalf of the Canada Millennium Scholarship Foundation.

HRSDC will administer the remaining Excellence Awards disbursements from January 1, 2010 until December 31, 2013. After this date, HRSDC will transfer any funds remaining in the account to the Consolidated Revenue Fund.

Canada Millennium Scholarship Foundation Excellence Award Fund — Statement of Operations and Balance

(millions of dollars)	Actual 2007–2008	2008–2009	2009–2010
Opening Balance	-	-	-
Receipts and other credits[1]	-	-	14.8
Payments and other charges	-	-	0.4
Excess of payments and other charges over receipts for the year	-	-	(14.4)
Closing Balance	-	-	**14.4**

[1] Receipts and other credits include a one-time payment of $14.8 million from the Canada Millennium Scholarship Foundation to the Specified Purpose Account for the purpose of administering remaining Excellence Awards between January 1, 2010 and December 31, 2013.

3.4 Statutory Annual Reports

Old Age Security

The Old Age Security program is one of the cornerstones of Canada's retirement income system.

Benefits include the basic Old Age Security pension, the Guaranteed Income Supplement and the Allowance. The Old Age Security program is financed from Government of Canada general tax revenues.

The following tables present information about monthly benefits, beneficiaries and payments by province or territory.

Summary of Maximum Monthly Benefits

(millions of dollars)	Basic Pension	Income Supplement		Allowance		
		Single	Married	Regular	Survivor	Increase
Monthly benefit by fiscal year						
2009-2010 Actuals						
January 1, 2010	516.96	652.51	430.90	947.86	1,050.68	0.0%
October 1, 2009	516.96	652.51	430.90	947.86	1,050.68	0.0%
July 1, 2009	516.96	652.51	430.90	947.86	1,050.68	0.0%
April 1, 2009	516.96	652.51	430.90	947.86	1,050.68	0.0%
2009-2010 Estimates						
January 1, 2010	522.66	659.70	435.65	958.31	1,062.26	0.3%
October 1, 2009	521.10	657.73	434.35	955.45	1,059.09	0.7%
July 1, 2009	517.48	653.16	431.33	948.81	1,051.73	0.1%
April 1, 2009	516.96	652.51	430.90	947.86	1,050.68	0.0%
2008-2009 Actuals						
January 1, 2009	516.96	652.51	430.90	947.86	1,050.68	0.0%
October 1, 2008	516.96	652.51	430.90	947.86	1,050.68	2.2%
July 1, 2008	505.83	638.46	421.62	927.45	1,028.06	0.7%
April 1, 2008	502.31	634.02	418.69	921.00	1,020.91	0.0%
Maximum amount paid (annual benefits)						
2009-2010 Actuals	6,203.52	7,830.12	5,170.80	11,374.32	12,608.16	1.3%
2009-2010 Estimates	6,234.60	7,869.30	5,196.69	11,431.29	12,671.28	1.8%
2008-2009 Actuals	6,126.18	7,732.50	5,106.33	11,232.51	12,450.99	3.4%

Number of Persons Receiving Old Age Security Benefits by Province or Territory and by Type

Province or Territory	March 2009 Old Age Security (OAS) Pension	March 2009 Guaranteed Income Supplement (GIS)	March 2009 Allowance	March 2009 GIS as % of OAS	March 2010 Old Age Security (OAS) Pension	March 2010 Guaranteed Income Supplement (GIS)	March 2010 Allowance	March 2010 GIS as % of OAS
Newfoundland and Labrador	74,884	45,766	4,360	61.12	77,362	46,025	4,376	59.49
Prince Edward Island	20,645	9,320	556	45.14	21,189	9,369	585	44.22
Nova Scotia	142,077	59,515	4,120	41.89	145,682	60,206	4,037	41.33
New Brunswick	112,962	54,434	4,194	48.19	115,916	55,074	4,021	47.51
Quebec	1,142,879	518,355	30,353	45.36	1,181,774	533,717	30,246	45.16
Ontario	1,690,561	479,751	26,741	28.38	1,737,000	493,407	27,070	28.41
Manitoba	163,581	58,026	3,299	35.47	166,245	56,934	3,101	34.25
Saskatchewan	147,341	55,326	3,144	37.55	148,590	53,167	2,879	35.78
Alberta	365,759	117,370	5,497	32.09	375,679	116,782	5,633	31.09
British Columbia	603,784	194,667	11,009	32.24	622,655	200,248	11,501	32.16
Yukon	2,638	806	55	30.55	2,828	859	42	30.37
Northwest Territories[a]	3,098	1,613	118	52.07	3,209	1,628	120	50.73
International[b]	90,885	8,546	62	9.40	93,755	8,371	57	8.93
Total	4,561,094	1,603,495	93,508	35.16	4,691,884	1,635,787	93,668	34.86

[a] Data for Nunavut are included.

[b] Persons receiving Canadian Old Age Security benefits under International Social Security Agreements.

Old Age Security Payments by Province or Territory and by Type, Fiscal Year 2009–2010

Province or Territory	Old Age Security (OAS) Pension	Guaranteed Income Supplement (GIS)	Allowance	Total
Newfoundland and Labrador	472,649,035	197,318,079	26,300,993	696,268,107
Prince Edward Island	129,197,975	39,859,709	2,764,100	171,821,783
Nova Scotia	891,153,171	241,598,237	21,686,738	1,154,438,146
New Brunswick	708,901,231	231,599,758	22,976,187	963,477,176
Quebec	7,129,132,040	2,336,537,562	159,494,901	9,625,164,503
Ontario	10,118,967,492	2,542,272,691	164,559,895	12,825,800,077
Manitoba	1,010,754,263	242,152,127	17,824,747	1,270,731,137
Saskatchewan	916,236,051	224,516,699	17,066,693	1,157,819,443
Alberta	2,222,165,224	558,603,566	33,070,445	2,813,839,234
British Columbia	3,576,618,544	1,025,495,171	67,458,903	4,669,572,618
Yukon	16,966,723	3,863,515	261,951	21,092,190
Northwest Territories[a]	19,540,889	8,743,201	941,810	29,225,901
International[b]	133,203,903	84,072,993	450,104	217,727,000
Total	**27,345,486,541**	**7,736,633,308**	**534,857,467**	**35,616,977,316**
Recovery tax portion of OAS	**(954,145,701)**	**-**	**-**	**(954,145,701)**
Total including recovery tax	**26,391,340,840**	**7,736,633,308**	**534,857,467**	**34,662,831,615**

[a] Data for Nunavut are included.

[b] Persons receiving Canadian Old Age Security benefits under International Social Security Agreements.

Consolidated Report on Canada Student Loans — Combined Programs

(millions of dollars)	Actual 2007–2008	Actual 2008–2009	Forecast 2009–2010	Actual 2009–2010
Revenues				
Interest Revenue on Direct Loans	537.1	472.8	532.1	369.8
Recoveries on Guaranteed Loans	46.6	38.5	24.7	27.4
Recoveries on Put-Back Loans (RS)	13.5	13.1	7.4	11.0
Total Loan Revenue	597.2	524.4	564.2	408.2
Expenses				
Transfer payment				
Canada Study Grants, Canada Access Grants and Canada Student Grants Program	161.5	143.2	511.5	533.7
Loan Administration				
Collection Costs (All regimes) [a]	14.4	10.7	3.8	5.2
Program Delivery Costs (DL)	70.8	76.0	60.9	61.7
Risk Premium to Financial Institutions (RS)	1.3	0.7	1.0	0.6
Put-Back to Financial Institutions (RS)	3.8	3.8	3.3	3.6
Administrative Fees to Provinces and Territories and SIF (DL)	13.7	14.7	20.1	19.3
Total Loan Administration Expenses	104.0	105.9	89.1	90.4
Cost of Government Benefits to Students				
In-Study Interest Borrowing Expense (Class A - DL) [b]	196.4	166.9	184.7	177.4
In Repayment Interest Borrowing Expense (Class B - DL) [b]	173.6	160.7	210.4	180.0
In-Study Interest Subsidy (RS & GL)	8.0	4.0	3.5	1.4
Repayment Assistance Programs [e]	107.5	93.2	128.9	74.9
Claims Paid & Loans Forgiven (All regimes)	17.0	23.2	11.8	22.5
Total Cost of Govt Benefits to Students	502.5	448.0	539.3	456.2
Bad Debt Expense [c]				
Debt Reduction in Repayment Expense (DL)	12.4	53.2	12.8	133.4
Bad Debt Expense (DL)	293.5	293.6	326.6	129.1
Total Bad Debt Expense	305.9	346.8	339.4	262.5
Total Loan Expenses	1,073.9	1,043.9	1,479.3	1,342.8
Net Operating Results	476.7	519.5	915.1	934.6
Alternative Payments to Non-Participating Provinces (DL) [d]	113.9	111.0	90.5	223.1
Final Net Operating Results	**590.6**	**630.5**	**1,005.6**	**1,157.7**

(DL) = Direct Loans

(RS) = Risk-shared Loans

(GL) = Guaranteed Loans

[a] These costs are related to collection activities performed by the Canada Revenue Agency. Figures for 2008–2009 have been adjusted by CRA and the new collection costs have been reflected.

[b] These costs are related to Canada Student Direct Loans but reported by the Department of Finance.

[c] This represents the annual expense against the Provisions for Bad Debt and Debt Reduction in Repayment as required under Accrual Accounting.

[d] The figures represent the annual expense recorded under the Accrual Accounting as opposed to the actual amount disbursed to the Non-Participating Provinces. For 2009-2010, the total amount disbursed as Alternative Payments is $127.3 M.

[e] Interest Relief and Debt Reduction in Repayment has been replaced by the Repayment Assistance Programs.

For further information about the Consolidated Report on Canada Student Loans, refer to http://www.hrsdc.gc.ca/eng/publications_resources/dpr/index/.shtml